Report

OF THE

Indian Merchants' Chamber

FOR THE YEAR

1928

(Presented to the Annual General Meeting of the Chamber held on 26th January 1929).

Published by

J. K. MEHTA, M.A., Secretary, Indian Merchants' Chamber,
"The Recluse," 31, Murzban Road, Fort, Bombay.

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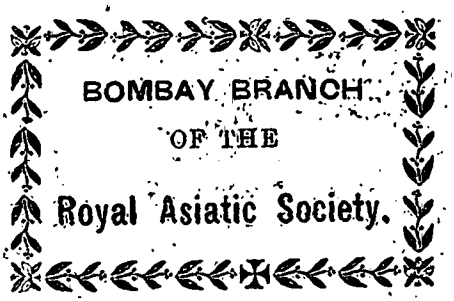
1929.



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ANNUAL REPORT

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LIST OF MEMBERS OF THE INDIAN MERCHANTS' CHAMBER.

Serial No.	Representatives of Members.	Names of Members.	Addresses.
1	Hon. Sir Dinshaw Edulji Wacha.	Messrs. Morarjee Goculdas & Co. ..	Sudama House, Ballard Estate, Fort, Bombay.
2	Mr. Chunilal Devkaran Nanji..	,, Chhugandas & Co.	Circle, Fort, Bombay.
3	Hon. Sir Munmohundas Ramji	Hon. Sir Munmohundas Ramji ..	Shushtri Building, Circle, Bombay.
4	Mr. Haridas Morarji Velji ..	Messrs. Morarji Velji & Co. ..	Mulji Jetha Market, Nava Govind Chawk, Bombay.
5	,, Jamnadas Devidas ..	,, Jethabhai Govindji & Co. ..	Mulji Jetha Market, Sir Vithaldas Galli, Bombay.
6	,, Jethabhai Kalyanji ..	,, Valji Shamji & Co. ..	Mulji Jetha Market, Chawk, Bombay.
7	,, Vallabhdas Chaturbhuj Shivji.	,, Chaturbhuj Shivji & Co. ..	Mulji Jetha Market, Chikhal Galli, Bombay.
8	,, Mathuradas Valji	,, Valji Sunderji & Co. ..	Mulji Jetha Market, Ghadial Galli, Bombay.
9	,, Dwarkadas Ravji Naranji	,, Ravjibhai Naranji & Co. ..	Mulji Jetha Market, Krishnaraj Galli, Bombay.
10	,, Vasanji Naranji	,, Vasanji Naranji & Co. ..	Mulji Jetha Market, Pragraj Galli, Bombay.
11	,, Mathuradas Haridas ..	,, Damodar Haridas & Co. ..	Mulji Jetha Market, Chikhal Galli, Bombay.
12	,, Devidas Madhowji Thackersey.	,, Madhowji Thackersey & Co.	21, Forbes Street, Fort, Bombay.

13	Mr. Madhowji Jesang	Messrs.	Ramdas Madhowji & Co. ..	Mulji Jetha Market, New Narayan Chawk, Bombay.
14	,, Vithaldas Damodar Govindji.	,,	Damodar Govindji Sons & Co.	Govind Building, Princess Street, Bombay.
15	,, Balvant Ramchandra ..	,,	Bhalchandra Balvant & Co.	Mulji Jetha Market, Narayan Chawk, Bombay.
16	,, Morarji Hemraj Kanji ..	,,	Hemraj Kanji & Co. ..	Mulji Jetha Market, New Govind Chawk, Bombay.
17	,, Hiralal Amratlal	,,	Hiralal Amratlal & Co. ..	Mulji Jetha Market, Dwarkesh Galli, Bombay.
18	,, Purshottam Mulji ..	,,	Padamsi Munji & Co. ..	27 33, Medows St. Fort, Bombay.
19	,, Goculdas Jivraj ..	,,	Ghela Dayal & Co.	Mulji Jetha Market, Ghadial Galli, Bombay.
20	,, Haridas Purshottam Govindji.	,,	Purshottam Govindji & Co.	Mulji Jetha Market, Chawk, Bombay.
21	Rao Saheb Harjivan Valji ..	,,	Harjivan Valji & Co. ..	12, Champa Galli, Shaikh Memon St., Bombay.
22	Mr. Kanji Coculdas	,,	Chaturbhuj Jivandas & Co.	Mulji Jetha Market, Navi Gomukh Galli, Bombay.
23	,, Vallabhdas Jamnadas ..	,,	Vallabhdas Jamnadas & Co.	Mulji Jetha Market, Ghadial Galli, Bombay.
24	,, Mathuradas Liladhar ..	,,	Jeram Hari	Mulji Jetha Market, Ganeshwadi, Bombay.
25	,, Vussanji Mulji Damodar ..	,,	Mulji Damodar & Co. ..	Morarji Goculdas Market, 326, Kalbadevi Road, Bombay.
26	,, Bhugwandas Vussonji ..	,,	Kanji Karsan & Co. ..	28-30, Peddar Road, Bombay.
27	,, Purshottamdas Lalji ..	,,	Lalji Tricumji & Co. ..	Mulji Jetha Market, Ghadial Galli, Bombay.

Serial No.	Representatives of Members.	Names of Members.	Addresses.
28	Mr. Karsandas Premji ..	Messrs. Karsandas Purshotam & Co.	Mulji Jetha Market, Navi Galli, Bombay.
29	,, Lalji Naranji	,, Lalji Naranji & Co	Tamarind Lane, Fort, Bombay.
30	,, Vallabhdas Valji	,, Valji Khimji & Co. ..	Mulji Jetha Market, Navi Galli, Bombay.
31	,, Ranchhoddas Vullabhdas Kanji.	,, Vullabhdas Kanji & Co. ..	Mulji Jetha Market, Ghadial Galli, Bombay.
32	,, Gordhandas Mathradas ..	Mr. Gordhandas Mathradas ..	Mulji Jetha Market, Ghadial Galli, Bombay.
33	,, Vandravandas Valji ..	Messrs. Vishram Dhanji & Co. ..	Mulji Jetha Market, Krishnaraj Galli, Bombay.
34	,, Kalyanji Bhimji	,, Bhimji Dwarkadas & Co. ..	Laxmidas Market, Shaikh Memon Street, Bombay.
35	,, Devkaran Mulji	,, Devkaran Mulji & Co. ..	Mulji Jetha Market, Gomukh Galli, Bombay.
36	,, Hirji Rustomji	,, Damodar Valji & Co. ..	Mulji Jetha Market, Dadar Galli, Bombay.
37	,, Dwarkadas Vussanji ..	,, Purshottam Laxmidas & Co.	Mulji Jetha Market, Nava Govind Chawk, Bombay.
38	,, Damodar Bhagwandas ..	,, Purshottam Dwarkadas & Co.	Mulji Jetha Market, Navi Galli, Bombay.
39	,, Karsandas Meghji ..	,, Gopalji Kalyanji & Co. ..	Mulji Jetha Market, Chikhal Galli, Bombay.

40	Mr. Vaman Shridhar Apte ..	Messrs. Vaman Shridhar Apte & Co.	Mulji Jetha Market, Govind Chawk, Bombay.
41	Hon. Sir Phiroze C. Sethna ..	Hon. Sir Phiroze C. Sethna ..	Canada Building, Hornby Road, Fort, Bombay.
42	Mr. Madhowji Damodar Thackersey.	Messrs. Thackersey Moolji & Co. ..	16, Apollo Street, Fort, Bombay.
43	,, Chaturbhuj Gordhandas Sunderdas.	,, Mulji Jetha & Co.	Tamarind Lane, Fort, Bombay.
44	,, Munmohandas Laxmidas..	,, Motilal Keshavji & Co. ..	37-39, Ghogha Street, Fort, Bombay.
45	,, Gordhandas Govindji ..	,, Morarji Govindji & Co. ..	Mulji Jetha Market, Chikhal Galli, Bombay.
46	,, Cursetji Jamsetji Banatvala.	,, Edulji Cursetji & Co. ..	Laxmidas Market, Shaikh Memon Street, Bombay.
47	,, Lalji Dayal..	,, Hirji Dayal & Co.	Girgaon Back Road, Bombay.
48	,, Keshavji Ramji Laxmidas	,, Ramji Laxmidas & Co. ..	Mulji Jetha Market, Chawk, Bombay.
49	,, Mulji Goculdas	,, Dharamsey Rattansey ..	Laxmidas Market, Shaikh Memon Street, Bombay.
50	,, Harjivan Purshottam ..	,, Jamnadas Haridas & Bros.	Mulji Jetha Market, New Govind Galli, Bombay.
51	,, Ramdas Javer Jagjivan ..	,, Javer Jagjivan & Co. ..	196, Cavel Street, Bombay.
52	,, Mulji Laxmidas	,, Gopalji Valji Sunderji & Co.	Mulji Jetha Market, Ghadial Galli, Bombay.
53	,, Ramdas Ranchhoddas ..	,, Ranchhoddas Thackersey & Co.	Mulji Jetha Market, New Govind Chawk, Bombay.
54	,, Jagjivan Gordhandas ..	,, Gordhandas Thackersey & Co.	Mulji Jetha Market, New Govind Chawk, Bombay.

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55	Mr. Jamnadas Harakhji ..	Messrs. Jamnadas Harakhji & Co. ..	82, Dady Seth Agiari Lane, Bombay.
56	„ Jethmal Narandas ..	„ Narottamdas Jethmal & Co.	Mani Bhuvan, New Gamdevi, Alexandra Road, Bombay.
57	„ Mathuradas Haribhai ..	„ Mathuradas Haribhai & Co.	Mulji Jetha Market, Dharamraj Galli, Bombay.
58	„ Laxmidas Keshavji ..	„ Haridas Keshavji & Co. ..	Mulji Jetha Market, Krishnaraj Galli, Bombay.
59	„ Revashanker Jagjivan ..	„ Revashanker Jagjivan & Co.	Khara Kuva, Shaikh Memon Street, Bombay.
60	„ Sheriff Devji Kanji ..	„ Devji Kanji & Co.	Chakla Street, Mandvi, Bombay.
61	Sir Purshotamdas Thakurdas ..	„ Narandas Rajaram & Co. ..	Navsari Chambers, Outram Road, Fort Bombay.
62	Mr. Govindji Ratansi Mulji ..	Mr. Govindji Ratansi Mulji ..	Feltham House, Ballard Estate, Fort, Bombay.
63	„ Purshottamdas Jivandas..	Messrs. Ramdas Khimji & Co. ..	Albert Building, Hornby Road, Fort, Bombay.
64	„ Phirozeshaw B. Petit ..	„ Phirozeshaw B. Petit & Co.	Bombay.
65	„ Dhanjibhoy B. Petit ..	„ Dhanjibhoy B. Petit & Co.	Circle, Fort, Bombay.
66	„ Govindlal Shivlal	„ Raja Bahadur Shivlal Motilal.	Hari Building, 58-64, Custom House Road, Fort, Bombay.

67	Mr. S. R. Bomanji	Mr. S. R. Bomanji	Forbes Street, Fort, Bombay.
68	„ Kakubhai Jivandas ..	Messrs. Khimji Vishram & Co. ..	Dana Bunder, Broach Street, Bombay.
69	„ Palanji Dadabhoy Chowna	„ Drewet Chowna & Co. ..	46, Church Gate Street, Fort, Bombay.
70	„ Tricumdas Gordhandas Khatau.	„ Khatau Makanji & Co. ..	Commissariat Building, Hornby Road, Bombay.
71	„ N. D. Dadyseth	Mr. N. D. Dadyseth	17, Waudby Road, Fort, Bombay.
72	„ Kaikobad Cowasji Dinshaw	Messrs. Cowasji Dinshaw & Bros. ..	121, Medows Street, Fort, Bombay.
73	„ Fidahusein Samsuddin ..	„ Shaikh Mahomed Shaikh Dawood & Co.	Crawford Market, Bhusari Street, Bombay.
74	„ Vithaldas Kanji	Mr. Mathuradas Vissanji	9, Wallace Street, Fort, Bombay.
75	„ Govindram Harsomal ..	Messrs. Tarachand Ghansyamdas & Co.	Jhaveri Bazar, Shaikh Memon Street, Bombay.
76	„ Karsandas Mulji Jetha ..	Mr. Karsandas Mulji Jetha ..	346, Hornby Road, Fort, Bombay.
77	„ Velji Lakhamshi Napoo ..	Messrs. The Grain Merchants' Association.	262, Musjid Bunder Road, Bombay.
78	„ Anandrao Krishna Rao Kothare.	„ K. P. Kothare & Co. ..	Apollo Street, Fort, Bombay.
79	„ Pestonji Edulji Dhala ..	„ The Indian Mercantile Insurance Co. Ltd.	11, Bank Street, Fort, Bombay.
80	Sir Lallubhai Samaldas ..	Sir Lallubhai Samaldas	Apollo Street, Fort, Bombay.
81	Mr. Sultanbhoy Hajibhoy ..	Messrs. Hajibhoy Lalji & Co. ..	Akbar Building, Hornby Road, Fort, Bombay.

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82	Sir Fazulbhoy Currimbhoy Ibrahim.	Sir Fazulbhoy Currimbhoy Ibrahim	12-14, Outram Road, Fort, Bombay.
83	Mr. Narandas Chatrabhuj ..	Messrs. Gordhandas Khetsey ..	Manordas St. 40, Holi Chakla, Fort, Bombay.
84	,, Narottam Morarjee ..	Mr. Narottam Morarjee	Sudama House, Ballard Estate, Fort, Bombay.
85	Sir Shapurji B. Billimoria ..	Messrs. S. B. Billimoria & Co. ..	113, Esplanade Road, Fort, Bombay.
86	Mr. R. D. Lam	,, Tata Sons Ltd.	Bombay House, Bruce Street, Fort, Bombay.
87	,, Manekji Jethabhai Vurdhman.	Mr. Manekji Jethabhai Vurdhman ..	56, Tamarind Lane, Fort, Bombay.
88	,, Dadabhai J. Registrar ..	Messrs. The Berar Mfg. Co., Ltd. ..	Lloyd Building, Ballard Road, Fort, Bombay.
89	,, Hirjibhai Shapurji Patuck	,, H. S. Patuck & Co... ..	Ismailji Building, Bank Street, Fort, Bombay.
90	,, Kikabhai Premchand ..	,, Premchand Roychand & Sons.	Apollo Street, Fort, Bombay.
91	,, Harikishandas Mehra ..	,, The Hindustani Native Merchants' Association.	342, Kalbadevi Road, Bombay.
92	,, Ratanchand Navalchand Javeri.	,, Manekchand Panachand & Co.	Javeri Bazar, Shaikh Memon Street, Bombay.
93	Dr. M. Venkatrao	,, N. Powell & Co.	Sandhurst Road, Girgaon, Bombay.

94	Mr. Nihalchand Lalluchand ..	Mr. Nihalchand Lalluchand ..	Tamba Kanta, Pydhonie, Bombay.
95	,, Jedayal Durgadas ..	,, Dunichand Durgadas	Khara Kuva, Shaikh Memon Street, Bombay.
96	,, Vallabhdas Dayal ..	,, Vallabhdas Dayal	Vadgadi, Mandvi, Bombay.
97	,, Bharata K. S. Aiyar ...	Messrs. K. S. Aiyar & Co. ..	65, Apollo Street, Fort, Bombay.
98	,, Hirachand Vanechand Desai.	,, Hirachand Vanechand Desai & Co.	Kalbadevi Road, Bombay.
99	Prof. S. R. Davar	,, Davar's College of Commerce.	82-84, Esplanade Road, Fort, Bombay.
100	Mr. Nassurwanji K. A. Chinoy	Mr. Nassurwanji K. A. Chinoy ..	Chinoy Mansion, Colaba, Bombay.
101	,, Shivji Chapsey	Messrs. Vussanji Velji & Co. ..	Marwari Bazar, Bombay.
102	,, Phirozeshaw N. Mehta ..	,, P. N. Mehta & Co.	Cook's Building, Hornby Road, Fort, Bombay.
103	,, Nandlal Kilachand ..	,, Kilachand Devchand & Co. Ltd.	Allahabad Bank Bldg., Apollo Street, Fort, Bombay.
104	,, Chhotalal V. Mehta ..	,, The Bank of Morvi, Ltd. ..	Mahendra Mansions, Esplanade Road, Fort, Bombay.
105	,, Sorabji N. Pochkhanavala	,, The Central Bank of India Ltd.	Esplanade Road, Fort, Bombay.
106	,, Beniprasad Ramkumar ..	,, Mamraj Rambhagat & Co...	Mumbadevi Naka, Bombay.
107	,, Morarji Kanji	,, Thakkar Amarsey Kanji ..	Mulji Jetha Market, Sancha Galli, Bombay.
108	,, Manilal Goculbhai Mulchand.	Mr. Manilal Goculbhai Mulchand ..	Champa Galli, Bombay.

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109	Mr. Hirachand Vanechand Desai.	Messrs. The Bombay Shroff Association.	Shroff Bazar, Shaikh Memon Street, Bombay.
110	„ Jamnadas Mulchand Parekh.	„ Goculbhai Dolatram & Co...	Champa Galli, Shaikh Memon Street, Bombay.
111	„ Lavji Meghji	„ Curumsey Damji & Sons ..	Girgaum Back Road, Bombay.
112	„ Ibrahim F. Lalji	„ Jumabhoy Lalji & Co. ..	Warden Road, Bombay.
113	„ Liladhar Javerchand Thar	„ Mulchand Vussanji & Co. ..	90, Bazar Gate Street, Fort, Bombay.
114	„ Dwarkadas Tribhovandas	Mr. Dwarkadas Tribhovandas ..	Singhani Building, Shaikh Memon St. Bombay.
115	„ R. D. Patel	Messrs. Patel Bros.	"Gulestan," 6, Napier Rd., Fort, Bombay.
116	„ Hormasji D. Jassoobhoy ..	„ Chandabhoy and Jassoobhoy.	43, Apollo Street, Fort, Bombay.
117	Hon. Mr. Ratansey Dharamsey Morarji.	Hon. Mr. Ratansey Dharamsey Morarji.	Sudama House, Ballard Estate, Fort, Bombay.
118	Mr. Fakirmahomed C. L. Sajan	Messrs. C. L. Sajan & Co.	Frere Road, Bombay.
119	„ Hirji Ghelabhai	„ Hirji Ghelabhai & Co., (The Bombay Rice Merchants' Association).	Carnac Bunder, New Rice Market, Bombay.
120	„ Jehangir Bomanji Petit ..	Mr. Jehangir Bomanji Petit ..	359, Hornby Road, Fort, Bombay.

121	Mr. Cassamalli Jerajbhoy Peerbhcy.	Mr. Cassamalli Jerajbhoy Peerbhoy	Peddar Road, Bombay.
122	,, Vithaldas Liladhar Bhimji	,, Vithaldas Liladhar Bhimji ..	Princess Street, Bombay.
123	,, M. V. Subiah	Messrs. The Commission and General Agency.	Younoos Bldg., Nagarpet, Bangalore City.
124	,, Vithaldas Bhawanidas ..	Mr. Vithaldas Bhawanidas ..	Tamba Kanta, Pydhonie, Bombay.
125	,, Dwarkadas Kalyandas ..	,, Dwarkadas Kalyandas ..	Ridge Road, Malabar Hill, Bombay.
126	,, Lakhmidas Rowjee Tairsee.	Messrs. Lakhmidas & Co.	29/31/35 Borah Bazar Street, Holi Chakla Bombay.
127	,, Kirtilal Manilal	,, Surajmal Lallubhai & Co. ..	Kalbadevi Road, Bombay.
128	,, Brij Beharilal	,, J. N. Singh & Co., Ltd. ..	26, Princess Street, Bombay.
129	,, Manharlal Vrajdas Merchant.	Mr. Manharlal Vrajdas Merchant ..	Dady House, Church Gate Street, Fort Bombay.
130	,, Nagindas A. Adatia ..	Messrs. Nagindas and Maneklal ..	Ravelin Street, Hornby Road, Fort, Bombay.
131	,, Mavji Govindji	,, Mavji Govindji & Co. ..	Apollo Street, Fort, Bombay.
132	,, Maganlal Parbhudas ..	,, The Bombay Yarn, Copper and Brass Native Merchants' Association.	Tamba Kanta, Pydhonie, Bombay.
133	,, Girjashanker B. Trivedi ..	,, Trivedi & Co.	Navsari Chambers, Outram Road, Fort Bombay.
134	,, Shiva Datta	,, The Punjab National Bank Ltd.	Sassoon Building, Churchgate Street, Bombay.

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135	Mr. Ramchandra M. Bhatt ..	Mr. Ramchandra M. Bhatt.. ..	36/37, Sandhurst Road, Girgaum, Bombay.
136	,, Laxmidas Devji	Messrs. Jetha Devji & Co.	Sak Galli, Mandvi, Bombay.
137	,, Vithaldas Purshottam ..	,, Pitambar & Co.	17, Elphinstone Circle, Fort, Bombay.
138	,, Bhailal Dajibhai Amin ..	,, The Alembic Chemical Works Co., Ltd.	Camp, Baroda.
139	,, B. A. Billimoria	,, Batliwala and Karani ..	Dalal Street, Fort, Bombay.
140	,, Mohamed Hussein Dehdasti.	Mr. Mohamed Hussein Dehdasti ..	Ash Lane, Fort, Bombay.
141	,, Maneklal Manilal Ranchhoddas Pari.	,, Maneklal Manilal Ranchhoddas Pari.	Maneck Chawk, Ahmedabad.
142	,, Ismail A. H. Moosa ..	Messrs. Ismail A. H. Moosa Ltd. ..	Commissariat Building, Hornby Road, Bombay.
143	,, Phiroze J. Billimoria ..	,, The Indian Cement Co., Ltd.	Bombay, House, Bruce Street, Fort, Bombay.
144	,, M. A. J. Noble	Mr. M. A. J. Noble	26, Parsi Bazar Street, Fort, Bombay.
145	,, Jayvant Shantaram Divadkar.	Messrs. Narayan Dhondoba & Co ..	Lloyd Building, Ballard Estate, Fort, Bombay.
146	,, Shoorji Vallabhdas ..	,, Shoorji Vallabhdas & Co. ..	Navsari Building, Hornby Road, Bombay.

147	Mr. Laxmichand M. Dosi ..	Messrs. Laxmichand Padamsey & Co.	439, Kalbadevi Road, Bombay.
148	,, Rameshwardas Birla ..	,, Shivnarayan Baldevdas & Co.	Patel Building, Marwari Bazar, Bombay.
149	,, Sarabhai Vadilal Javeri ..	,, Chamanlal Sarabhai Javeri	Nawab Building, Hornby Road, Bombay.
150	,, Karsandas Thackersey Ravji.	Mr. Karsandas Thackersey Ravji ..	183/185, Hornby Road, Fort, Bombay.
151	,, Narsidas Jekisandas Gangadas.	,, Narsidas Jekisandas Gangadas	Shahibag, Ahmedabad.
152	,, Jiwandas D. Joshi ..	Messrs. Dungershi & Sons	59, Forbes Street, Bombay.
153	,, Harnandrai Ramnarayan..	Mr. Harnandrai Ramnarayan ..	395, Kalbadevi Road, Bombay.
154	,, Hormasji Bapuji Gazdar ..	,, Hormasji Bapuji Gazdar ..	Beach House, Nepean Sea Road, Malabar Hill, Bombay.
155	,, T. M. Rangachari	,, T. M. Rangachari	Poonamalli High Road, Madras.
156	,, Walchand Hirachand ..	,, Walchand Hirachand	Phoenix, Building, Ballard Estate, Bombay.
157	,, Ratanchand Hirachand ..	Messrs. Pathak & Walchand Ltd. ..	Phoenix, Building, Ballard Estate, Bombay.
158	,, Ambalal Sarabhai ..	Mr. Ambalal Sarabhai	Retreat Shahibag, Ahmedabad.
159	,, Mansukhlal Atmaram Master.	,, Mansukhlal Atmaram Master ..	Sudama House, Ballard Estate, Bombay.
160	,, Damodar Govindji Madhowji.	Messrs. Govindji Madhowji & Co. ..	16, Apollo Street, Bombay.
161	,, H. M. A. Anik	,, H. Anik & Co.	Baria Mansion, opp. Crawford Market, Bombay.

Serial No.	Representatives of Members.	Names of Members.	Addresses.
162	Mr. Bhagwandas Gordhandas	Mr. Bhagwandas Gordhandas ..	9, Wallace Street, Fort, Bombay.
163	,, Mathuradas Canji Matani	Messrs. Kanji Dwarkadaswala (Messrs. The Bombay Rice Merchants' Association).	53, Mint Road, Fort, Bombay.
164	,, Madhavlal Makanji ..	,, Madhavlal & Co., Ltd. ..	Alice Building, Hornby Road, Bombay
165	,, Nemchand Popatlal Vohora	,, C. K. Vohora & Co. ..	78, Nagdevi Street, Bombay.
166	,, Nandlal Madhavdas ..	,, Amersey Damodar	106, Bhuleshwar Road, Fort, Bombay.
167	,, Kekhushru Manekji Cooper	Mr. Kekhushru Manekji Cooper ..	Katgara, House, 50 Nepean Sea Road, Bombay.
168	,, Fazulbhoy Ibrahim Rahimtulla.	Messrs. Fazulbhoy Ibrahim & Co., Ltd.	Ismail Building, Hornby Road, Bombay.
169	,, M. B. Mehta	,, M. B. Mehta & Co. ..	Ismailji Building, Bank Street, Bombay.
170	,, Manilal Jugaldas	Mr. Manilal Jugaldas	4, Green Street, Fort, Bombay.
171	,, Hargovind Ambaram Jani	Messrs. Hargovind Shivlal & Co. ..	Tank Bunder, Mazgaon, Bombay.
172	,, Narandas Keshoordas ..	,, Lalji Godhoo & Co... ..	Samuel Street, Vadgadi, Bombay.

173	Mr. Manilal Balabhai	Messrs. Manilal Balabhai & Co. ..	36, Humam Street, Fort, Bombay.
174	„ B. F. Madon	Mr. B. F. Madon	Bombay House, Bruce Street, Bombay.
175	„ Mathuradas Tricumdas ..	Messrs. Mathuradas V. Kothare & Co.	45, Apollo Street, Fort, Bombay.
176	„ Sultan I. Janmohmad ..	Mr. Sultan I. Janmohmad	C/o Currimbhoy Ibrahim & Sons, Outram Road, Fort, Bombay.
177	„ Shantidas Ashkaran ..	„ Shantidas Ashkaran	"Shanti Nivas" Nepean Sea Road, Bombay.
178	„ Vyas Laxmishanker Narbadashanker.	„ Vyas Laxmishanker Narbadashanker	C/o Vithal Spinning Mill, Viramgam
179	„ Ishwardas Lukhmidas ..	„ Ishwardas Lukhmidas	"Garden View," Hughes Road, Bombay.
180	„ N. M. Muzumdar	„ N. M. Muzumdar	C/o Tata Sons, Ltd., Bruce Street, Fort, Bombay.
181	„ Hatim E. Attari	„ Hatim E. Attari	Asian Building, Ballard Estate, Bombay.
182	„ Ishwarlal Ganpatram Gajjar.	„ Ishwarlal Ganpatram Gajjar ..	Parekh Building, New Queens Road, Bombay.
183	„ Vassanji Naranji Bhimji ..	„ Vassanji Naranji Bhimji ..	Vadgadi, Mandvi, Bombay.
184	„ Keshavji Nanji	„ Keshavji Nanji	Laxmidas Khimji Market, Bombay.
185	„ Rahimtulla M. Chinoy ..	Messrs. F. M. Chinoy & Co. ..	Band stand, Chaupaty, Bombay.
186	„ Edulji S. Cooper	„ Pallonji Edulji & Sons ..	New Charni Road, Girgaon, Bombay.
187	„ Velji Lakhamshi Napoo ..	„ Napoo Nensey & Co. ..	38/42, Argyle Road, Dana Bunder, Bombay.

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188	Mr. Alimohmad R. Macklai	Mr. Alimohmad R. Macklai	99, Esplanade Road, Fort, Bombay.
189	,, Hakemchand Valamji Kapadia.	,, Hakemchand Valamji Kapadia	Mulji Jetha Market, Navi Gopalak Galli, Bombay.
190	,, J. H. Bhabha	Messrs. The Tata Hydro Electric Power Supply Co., Ltd.	Bombay House, Bruce Street, Fort, Bombay.
191	,, Dwarkadas Jekisondas	Mr. Dwarkadas Jekisondas	Dwarkadas Mansion, Sandhurst Road, Bombay.
192	,, Birdhichand Podar	Messrs. Cheniram Jesraj & Co.	393, Kalbadevi Road, Bombay.
193	,, Hansraj Haribhai	,, Hansraj & Co.	20, Elphinstone Circle, Fort, Bombay.
194	,, Vallabhdas Runchordas	,, Vallabhdas Runchordas & Co.	Mahim, Bombay 16.
195	,, Kapilram H. Vakil	Mr. Kapilram H. Vakil	Navsari Building, Hornby Road, Bombay.
196	,, C. J. Vurdhman	Messrs. Vurdhman Brothers Ltd.	58, Tamarind Lane, Bombay.
197	,, Baldevdas Dalshukhram Dave.	,, Somnath Rupjidas Patel	35, 3rd Bhoivada, Bhuleshwar, Bombay.
198	,, Dawood Haji Nassur	,, Nassur Haji Mavji & Co.	Khoja Mohalla, Bombay.
199	,, Narandas Assanmal	Mr. Narandas Assanmal	132, Bhuleshwar Road, Bombay.

200	Mr. Amratlal Amerchand ..	Messrs. Amerchand Madhowji & Co.	36, Kazi Syed Street, Mandvi Bombay.
201	,, Framji Dorabji Panday ..	,, Pestonji & Co.	371, Hornby Road, Bombay.
202	,, Ahmadi Siraj Vasi ..	,, Siraj A. Vasi & Co. ..	65, Apollo Street, Fort, Bombay.
203	,, Moiz Shaikadam Vasi ..	,, Shaikadam Husseinalli Vasi & Co.	Vasi Building 165, Nagdevi Street, Bombay.
204	,, Laxmidas G. Tejpal ..	Mr. Laxmidas G. Tejpal	Vile-Parle (B. B. & C. I. Ry.) Bombay.
205	,, Morarji Premji Goculdas ..	Messrs. M. P. Goculdas & Co. ..	16, Apollo Street, Fort, Bombay.
206	,, Behram N. Karanjia ..	Mr. Behram N. Karanjia	238/40, Musjid Bunder Road, Bombay.
207	,, Madhavdas Goculdas Pasta	,, Madhavdas Goculdas Pasta.	11, Bastian Road, Fort, Bombay.
208	,, Jamnadas Morarji ..	Messrs. Jamnadas Morarji & Sons .	Share Bazar, 8-10 Dalal St. Fort, Bombay.
209	,, Sarabhai Pratapraí ..	Mr. Sarabhai Pratapraí	Madhuli, Grant Road, Bombay.
210	Sir Dinshaw Manckji Petit Bart.	Sir Dinshaw Manckji Petit Bart. ..	359, Hornby Road, Bombay.
211	Mr. Panachand Manchand ..	Mr. Panachand Manchand	Shaikh Memon Street, Bombay.
212	,, Balkisandas Ramkisandas	,, Balkisandas Ramkisandas ..	207/209, Kalbadevi Road, Bombay.
213	,, K. R. P. Shroff	,, K. R. P. Shroff	80, Esplanade Road, Fort, Bombay.
214	,, Pesi R. P. Shroff	,, Pesi R. P. Shroff	80, Esplanade Road, Fort, Bombay.

Serial No.	Representatives of Members.	Names of Members.	Addresses.
215	Mr. Gordhandas Parshottamdas.	Messrs. Narandas Manordas & Co. ..	Shaikh Memon Street, Bombay.
216	„ Y. G. Pandit.	Mr. Y. G. Pandit	Whiteaway Laidlaw Building, Hornby Road, Bombay.
217	„ R. H. Mody	Messrs. The New India Assurance Co., Ltd.	Central Bank Building, Esplanade Road, Bombay.
218	„ Kanji Karsandas	Mr. Kanji Karsandas	Parsi Bazar Street, Fort, Bombay.
219	„ Dulerai Vanechand Desai..	Messrs. Dulerai & Co.	20, Apollo Street, Fort, Bombay.
220	„ S. A. Kamat	„ The Bombay Swadeshi Co-operative Stores, Co., Ltd.	Cruickshank Road, Fort, Bombay.
221	„ Vithaldas Harjivandas ..	„ Harjivandas Jagjivandas & Co.	26, Jambulvadi, Kalbadevi Road, Bombay.
222	„ Kisondas Munmohundas Ramji.	„ The New Kaiser-i-Hind Spg. & Wg., Co., Ltd.	Shushtary Building, Elphinstone Circle Fort, Bombay.
223	„ Maganbhai P. Amin ..	„ Maganbhai Amin & Co. ..	32, Apollo Street, Fort, Bombay.
224	„ Maganlal Purshottamdas .	„ Purshottam Pranvallabh & Co.	Dalal St. Share Bazar, Bombay.
225	„ Abubakar Abdulrahman..	„ Abubakar Abdulrahman & Co.	Narayan Dhru St., Pydhonie, Bombay.
226	„ Tulsidas Karsandas ..	Mr. Parmanand Karsandas Hargovan.	Mulji Jetha Market, Chawk, Bombay.

227	Mr. S. D. Sethia	Messrs. Shivji Dharamsey Sethia & Co.	16, Apollo Street, Fort, Bombay.
228	„ Tulsidas Ramdas	Mr. Tulsidas Ramdas	C/o Ebrahim Tulsidas & Co., Narayan Dhru Street, Pydhonie, Bombay.
229	„ Pragji Dayal Hariani ..	„ Pragji Dayal Hariani	112, D'Souza Street, Mandvi, Bombay.
230	„ Jivanlal Chimanlal Setalvad.	Messrs. J. C. Setalvad & Co. ..	Jehangir Wadia Building, Esplanade Road, Fort, Bombay.
231	„ Narandas Bhawanji ..	„ Narandas Bhawanji & Co. ..	Gadhsisa (Cutch).
232	„ Purshottam Hirji ..	„ Hirji Govindji & Co. ..	82, Baroda St., Dana Bunder, Bombay.
233	„ Chimanlal Mohanlal ..	„ Chimanlal Mohanlal & Co...	Patel Building, Javeri Bazar, Bombay.
234	„ Balabhai Jamnadas ..	„ The Gujarat Oil Mill & Mfg. Co., Ltd.	Asarva, Post Kalupur, Ahmedabad.
235	„ Ratan C. Gazdar	„ Bomanji C. Gazdar & Co. ..	16, Apollo Street, Fort, Bombay.
236	„ Maneklal Ujamshi ..	Mr. Maneklal Ujamshi	70, Apollo Street, Fort, Bombay.
237	„ Dullabhdas H. Gandhi ..	„ Ranchhoddas Harjivandas Gandhi.	Ramchandra Building, Princess Street, Bombay.
238	„ Husseinbhoy Hassum ..	Mr. Husseinbhoy Hassum	164/66, Samuel Street, Mandvi, Bombay.
239	„ Kanchanlal Varajdas ..	Messrs. M. Kanji & Co.	Cawasji Patel Street, Fort, Bombay.
240	„ Karsandas Tejpal	Messrs. Karsandas Tejpal & Co. ..	Bombay.
241	„ Shamji Hemraj	„ Shamji Hemraj & Co. ..	Ready Money Mansion, Churchgate Street, Bombay.

Serial No.	Representatives of Members.	Names of Members.	Addresses.
242	Mr. N. G. Muzumdar	Messrs. The Sholapoor Spg. & Wg. Co., Ltd.	Sudama House, Ballard Estate, Fort, Bombay.
243	,, Laxmidas G. Dossa ..	,, Goculdas Dossa & Co. ..	22, Apollo Street, Fort, Bombay.
244	,, Morarji Keshavji	,, Morarji & Hormasji ..	Shaikh Memon Street, Champa Galli Bombay.
245	,, Bomanji Dorabji Kapadia	Mr. Bomanji Dorabji Kapadia ..	Engineer Building, Princess Street, Bombay.
246	,, Motiram Waghji	Messrs. Pragji Liladhar & Co. ..	Bhat Bazar, Mandvi, Bombay.
247	,, Ruttonchund Tullockchund Master.	,, Master Sons & Co.	Cama Chambers, 23, Medows Street, Bombay.
248	,, Gustadji Dossabhoy Billimoria.	Mr. Gustadji Dossabhoy Billimoria	Chinoy Mansion, Wodehouse Road, Colaba, Bombay.
249	,, Thakorlal Hiralal Vakil ..	Messrs. Vakil Brothers	73, Apollo Street, Bombay.
250	,, Chunilal Baldevdas ..	Mr. Chunilal Baldevdas	C/o Mulchand Kantilal, Tamba Kanta, Bombay.
251	,, B. D. Sardesai	Messrs. The Tata Construction Co., Ltd.	Phoenix Building, Ballard Estate, Bombay .
252	,, H. H. Belgaumwalla ..	Mr. H. H. Belgaumwalla	Hubli.
253	,, Nowrcji H. Belgaumwalla	,, Nowroji H. Belgaumwalla ..	C/o The Bombay Samachar Office, Custom House Road, Bombay.

254	Mr. S. C. Bannerji	Messrs. Marsland Price & Co., Ltd...	Phoenix Building, Ballard Estate Bombay.
255	Prof. Khusal T. Shah ..	Prof. Khusal T. Shah	New University Building, Esplanade, Road, Bombay.
256	Mr. Narotam V. Purshottam ..	Messrs. Vithal Purshottam & Son ..	Apollo Street, Fort, Bombay.
257	Mr. Nensey Tejpal	Mr. Nensey Tejpal	Nana Colaba, Thomas Street, Bombay.
258	,, Framroze A. Mody ..	,, Framroze A. Mody	Oomrigar Building, Carnac Road, Bombay.
259	,, Behram N. Karanjia ..	Messrs. The Japan & Shanghai Silk Merchants' Association.	Jackeria-musjid, Bombay.
260	,, S. J. Pandya	,, The Scindia Steam Navigation Co., Ltd	Sudama House, Ballard Estate, Fort, Bombay.
261	,, Ranchhoddas Tribhovandas Popavala.	Mr. Ranchhoddas Tribhovandas Popavala.	Dady House, Church Gate Street, Bombay.
262	,, Husseinbhoy A. Laljee ..	Messrs. Abdullabhoy Laljee & Co. ..	Samuel Street, Mandvi, Bombay.
263	,, Nowroji Ardeshir Narielwala.	,, A. S. Narielwala & Sons ..	Cawasji Patel Street, Fort, Bombay.
264	,, Balvant Krishna Rao Wagle.	Mr. Balvant Krishna Rao Wagle ..	220, Kandewady, Girgaum, Bombay.
265	Sir M. Visvesvaraya	Sir M. Visvesvaraya	Uplands, High Ground, Bangalore.
266.	Mr. M. G. Mehta	Messrs. Bakubhai Ambalal & Co. ..	65, Apollo Street, Fort, Bombay.
267	Sir Jamsetjee Jijibhoy, Bart. ..	Sir Jamsetjee Jijibhoy, Bart. ..	"Mazgaon Castle," Mazgoan, Bombay.
268	Mr. C. B. Nanavati	Messrs. Nanavati Vevaina & Co. ..	Sudama House, Ballard Estate, Bombay.

Serial No.	Representatives of Members.	Names of Members.	Addresses.
269	Mr. B. J. Modi	Messrs. The Jupiter General Insurance Co., Ltd.	Tamarind Lane, Fort, Bombay.
270	,, B. M. Bhargava	,, The Union Bank of India Ltd.	Apollo Street, Fort, Bombay.
271	,, Gulabchand Naginchand..	,, The Pearl Merchants and Jewellers' Association.	25/39, Mumbadevi Road, Bombay.
272	,, R. N. Bapasola	Mr. R. N. Bapasola	Forbes Street, Fort, Bombay.
273	,, Manmohandas Madhavdas Amersey.	Messrs. Amersey & Sons	Sudama House, Ballard Estate, Bombay.
274	,, Lalji Rowji Khant ..	Mr. Shoorji Vallabhdas Colour & Co.	15/19, Samuel Street, Mandvi, Bombay
275	,, Ratansey Karsandas ..	Messrs. Karsandas Ranchhoddas ..	66, Bazar Gate Street, Fort, Bombay.
276	,, Jehangir P. Katgara ..	,, Jeena & Co.	Gresham Building, Esplanade Road, Fort, Bombay.
277	,, Dhruva Sumanas	Mr. Dhruva Sumanas	C/o. Sir Lallubai Samaldas, Apollo Street, Fort, Bombay.
278	,, Nensey Narandas Topan ..	Messrs Narandas Topan	Tamba Kanta, Pydhonie, Bombay.
279	,, Keshavlal Lallubhai ..	Mr. Keshavlal Lallubhai	Khokha Bazar, Bhajipala Lane, Bombay.
280	,, Morarji Muiraj Khatau ..	Messrs. The Khatau Makanji Spg. & Wg. Co., Ltd.	Laxmi Building, 42, Ballard Road, Bombay.

281	Mr. Raghunath Chintaman Sohoni.	Mr. Raghunath Chintaman Sohoni	996, Sadashiv Peth, Poona City.
282	,, Cursetji Limji	Messrs. The Bombay Cycle and Motor Agency, Ltd.	16, New Queen's Road, Bombay.
283	,, Nassurvanji S. Guzdar ..	,, Nassurvanji S. Guzdar & Co.	Mahomed Building, Bastian Road, Fort, Bombay.
284	,, Gordhandas Goculdas Morarji.	Mr. Gordhandas Goculdas Morarji..	"Mor Baug" Nayagaum Road, Dadar.
285	,, Devidas Shamji	,, Devidas Shamji	Mulji Jetha Market, Chawk, Bombay.
286	,, Girdhardas Liladhar ..	Messrs. Girdhardas Liladhar & Co...	16, Apollo Street, Fort, Bombay.
287	,, B. Das	,, B. Das & Co.	P. O. Chandni Chowk, Cuttack.
288	,, Hiralal Chhaganlal ..	,, Chhaganlal & Co.	Carnac Bunder, Bombay.
289	,, Mancklal Chunilal ..	,, Chunilal Harilal & Co. ..	4, Green Street, Fort, Bombay.
290	,, Chaturbhuj Khiasee ..	,, Chaturbhuj Khiasee & Co...	81-83, Chinch Bunder Road, Bombay.
291	,, Amiruddin Shalebhoy Tyebji.	,, Shalebhoy Tyebji & Sons ..	28, Bank Street, Fort, Bombay.
292	,, Vishvanath P. Vaidya ..	Mr. Vishvanath P. Vaidya	Kirti Building, 37-39, Forbes St. Fort, Bombay.
293	,, Behramji N. Gamadia ..	,, Behramji N. Gamadia	18, Homji Street, Fort, Bombay.
294	,, H. M. Chowna	Messrs. H. M. Chowna & Co. ..	73, Apollo Street, Fort, Bombay.
295	,, N. B. Saklatvala	,, Tata Mills Ltd.	Bombay House, Bruce Street, Fort, Bombay.

Serial No.	Representatives of Members.	Names of Members.	Addresses.
296	Mr. N. B. Saklatvala	Messrs. The Svadeshi Mills Co., Ltd.	Bombay House, Bruce Street, Fort, Bombay.
297	,, Mafatlal Gagalbhai ..	,, The Standard Mills Co., Ltd.	Bombay House, Bruce Street, Fort, Bombay.
298	,, Chamanlal Girdhardas Parekh.	,, The Industrial Bank of Western India, Ltd.	Lal Darvaja, Ahmedabad.
299	,, Habib Ismail	,, Khoja Mithabhai Nathoo ..	Hanuman Building, Tamba Kanta, Bombay.
300	,, Tribhovandas Pragji ..	Mr. Tribhovandas Pragji	"Dilip Kunj," Khar Road, Bombay-21.
301	,, Ranchhoddas Tribhovandas Mody.	,, Ranchhoddas Tribhovandas Mody.	Ridge Road, Malabar Hill, Bombay.
302	,, H. P. Mody.	Mr. H. P. Mody	Cumballa Hill, Bombay.
303	,, Ebrahim Gulamhussein Currimbhoy.	,, Ebrahim Gulamhussein Currimbhoy (of Messrs. Currimbhoy Ebrahim & Sons)	12-14, Outram Road, Fort, Bombay.
304	,, Pirojshaw Ratanji Desai ..	,, Pirojshaw Ratanji Desai ..	Nakhoda Street, Mandvi, Bombay.
305	,, S. Haji	Messrs. Narottam Ltd.	Sudama House, 31, Sprott Road, Ballard Estate, Bombay.
306	,, Shantikumar Narottam Morarjee.	Mr. Shantikumar Narottam Morarjee.	Shanti Bhuvan, Pedder Road, Bombay.

307	Mr. P. N. Vevaina	Messrs. The Eastern Bunkerers Ltd.	Sudama House, Ballard Estate, Fort Bombay.
308	,, R. M. Marshall	,, R. M. Marshall & Co. ..	Raja Terrace, Lamington Road, Bombay.
309	,, Shiavax C. Cambata ..	,, Shiavax C. Cambata & Co., Ltd.	Cook's Building, Hornby Road, Fort, Bombay.
310	Sir Currimbhoy Ebrahim, Bart.	Sir Currimbhoy Ebrahim, Bart. ..	12-14, Outram Road, Fort, Bombay.
311	Mr. Nooroodin Abdulhussein Nooroodin.	Messrs. The Bombay Paper and Stationery Merchants' Association.	Wakefield House, Ballard Estate, Bombay.
312	,, Curmali Ibrahim	,, Curmali Ibrahim & Co. ..	165/167, Khoja Mohalla, Mandvi, Bombay.
313	,, Jairaj Vussonji Munji ..	,, Keshavji Morarji Vussonji & Co.	Shustary Building, Elphinstone Circle, Bombay.
314	,, Hansraj Goculdas Naranji	,, Hansraj Goculdas & Co. ..	9, Wallace Street, Fort, Bombay.
315	,, Hasam Rahimtulla ..	Mr. Hssam Rahimtulla	Sydney Park, Sydney Road, Bangalore.
316	,, Phirojshaw D. Patel ..	,, Phirojshaw D. Patel	Mulji Jetha Market, Gordhan Gulli, Bombay.
317	,, Kallianji Curumsey Damji	Messrs. L. K. Vussonji & Co. ..	Queens Mansion, Bastian Road, Fort, Bombay.
318	,, Chunilal B. Mehta.. ..	,, The Bombay Bullion Exchange, Ltd.	Shroff Bazar, Bombay.
319	,, Dawoodkhan Shalebhoy Tyebjee.	,, Amir Brothers .. .	28, Bank Street, Fort, Bombay.
320	,, Suleman Cassum Haji Mitha.	Mr. Suleman Cassum Haji Mitha ..	27, Kolsa Mohalla, Pydhonie, Bombay.

Serial No.	Representatives of Members.	Names of Member .	Addresses.
321	Sir Ebrahim Rahimtulla ..	Sir Ebrahim Rahimtulla	Ismail Building, Hornby Road, Fort, Bombay.
322	Mr. Mahomedbhoy Gullamhussein.	Messrs. Hatimbhoy Gullamhussein & Brothers.	193, Nagdevi Street, Bombay.
323	,, Mafatlal Gagalbhai ..	Mr. Mafatlal Gagalbhai	Rustom Building, Churchgate Street, Bombay.
324	,, Jugatram S. Vaidya ..	Messrs. The Zandu Pharmaceutical Work , Ltd.	Elphinstone Road, Bombay 13.
325	,, Framroze Pestonji ..	,, P. Framroze & Co.	"Standard Building," Hornby Road, Bombay.
326	,, M. C. Ghia	,, M. C. Ghia & Co.	18, Humam Street, Fort, Bombay.
327	,, Burjor S. J. Aga	,, Shapoorji N. Chandabhoy & Co.	"Morarbhai Building," 43, Apollo St., Fort, Bombay.
328	,, Kaikhushroo Bezenjee N. Capadia.	Mr. Kaikhushroo Bezenjee N. Capadia.	"Capadia House" Cumballa Hill, Bombay.
329	,, Hooseinally M. Rahimtulla	Messrs. Jaffer Rahimtulla & Co. ..	74, Tandel Street, Umarkhadi, Bombay.
330	Hon. Sir S. R. M. Annamalai Chetty.	Hon. Sir S. R. M. Annamalai Chetty	"Natana Vilas" 38, P. C. Road, Vepery, Madras.
331	Mr. Sankalchand G. Shah ..	Messrs. Sankalchand G Shah & Co.	Kothari Building, Tamba Kanta, Bombay.
332	,, Vadilal Maganlal	,, Maganlal Dipchand.. ..	Khand Bazar, Bombay.

333	Mr. Meyer Nissim	Mr. Meyer Nissim	137, Esplanade Road, Fort, Bombay.
334	,, Dahyalal Makanji Javeri	The Bombay Diamond Merchants' Association.	Javeri Bazar, Bombay.
335	,, D. D. Writer	Messrs. D. Writer & Co.	Arab Lane, Corner Grant Road, Bombay.
336	,, Popatlal Girdharlal ..	,, Popatlal Girdharlal & Co. ..	Nanji Building, Circle, Fort, Bombay.
337	,, Keshavprasad C. Desai ..	,, The Industrial & Prudential Assurance Co., Ltd.	Jehangir Wadia Building, Esplanade Road, Bombay.
338	,, Sorabji Rustomji Mody ..	,, Furdoonji Khurshedji Mody & Sons.	Reay Road, Tank Bunder, Bombay.
339	,, Jawahirmal Mulchand ..	,, Rai Bahadur Tikamchand..	177/179, Kalbadevi Road, Bombay.
340	,, Nariman M. Pohowalla ..	,, The Bombay Glass Bangles Merchants' Association.	82, Bazar Gate Street, Fort, Bombay.
341	,, Himatlal Trimbaklal Muni	,, Chaturbhuj Bhaichandbhai & Co.	361, Hornby Road, Fort, Bombay.
342	,, Dhirajlal C. Modi	,, The Gujerati Type Foundry	Gaiwadi, Girgaon, Bombay.
343	,, Manu Subedar	,, The Peninsular Locomotive Co., Ltd.	Kodak House, Hornby Road, Fort, Bombay.
344	,, Hiralal Maganlal Desai ..	,, The Union Chemical Agency	70, Apollo Street, Fort, Bombay.
345	,, G. F. Munshi	,, The Gujrat Islam Match Mfg. Co., Ltd.	Kankaria Road, Ahmedabad.
346	,, N. R. Khambati	,, The Trinity Electric Syndicate.	Princess Street, Bombay.
347	,, Kalyanbhai Sarabhai Javeri.	,, Sarabhai & Sons	Nawab Building, Hornby Road, Fort, Bombay.

LIST OF MEMBERS OF THE INDIAN MERCHANTS' CHAMBER.

Serial No.	Representatives of Members.	Names of Members.	Addresses.
348	Mr. Jeevanji Currimji	Messrs. The Sugar Merchants' Association.	Khand Bazar, Bombay.
349	,, R. S. Asavale	,, The Indian Co-operative Navigation & Trading Co., Ltd.	149, Frere Road, Bombay-3.
350	,, C. R. H. Readymoney ..	,, India International Co. ..	Readymoney Mansion, Churchgate St., Bombay.
351	,, Narayanlal Bansilal Pittee	Mr. Narayanlal Bansilal Pittee ..	205-207-209, Kalbadevi Road, Bombay.
352	,, Khimchand A. Mehta ..	Messrs. Mehta & Co...	119, Medows Street, Fort, Bombay.
353	,, F. E. Dinshaw	Mr. F. E. Dinshaw	C/o Messrs. Payne & Co. Solicitors, Esplanade Road, Fort, Bombay.
354	,, Sorab Dalal	Messrs. Sorab Dalal Tile Works ..	"Westview," Khanpur Road, Ahmedabad.
355	,, F. J. Bhumgara	Mr. F. J. Bhumgara..	28, Camomile Street, London, E. C. 3.
356	,, S. Bhattacherjee	Messrs. The Bengal Luxmi Cotton Mills, Ltd.	28, Pollock Street, Calcutta.
357	Hon. Mr. Rattansey D. Morarji	,, The Dharamsey Morarji Chemical Co., Ltd.	Sudama House, Ballard Estate, Bombay.
358	,, Bhogilal Laherchand Javeri.	,, Batliboi & Co.	Forbes Street, Fort, Bombay.
359	,, Abdulla Fazulbhoy ..	,, Bombay Motor Exchange ..	67-69, Queen's Road, Opp. Marine Lines Station, Bombay.

360	Mr. H. F. Commissariat ..	Mr. H. F. Commissariat	Commissariat Building, Hornby Road, Fort, Bombay.
361	,, Farroke E. Bharucha ..	,, Farroke E. Bharucha	Canada Building, Hornby Road, Bombay.
362	Pandit Shiva Kishan Kaul ..	Messrs. Sir Daya Kishan Kaul Sons & Co.	5, Abbot Road, Lahore.
363	Sir Byramjee Jeejeebhoy ..	Sir Byramjee Jeejeebhoy	Alice Building, Hornby Road, Fort, Bombay.
364	Mr. B. S. Lalkaka	Messrs. The Pioneer Magnesia Works	10, Rampart Row, Fort, Bombay.
365	,, Dharamsey Mulraj Khatau	Mr. Dharamsey Mulraj Khatau ..	42, Ballard Road, Fort, Bombay.
366	,, Ramdev Anandilal Podar	Messrs. Anandilal Podar & Co. ..	Marwari Bazar, Bombay.
367	,, Jehangir Ruttonji Dubash	Mr. Jehangir Rattonji Dubash ..	24, Carnac Bridge Road, Akbar Press, Bombay.
368	,, Govinddas Maneklal ..	,, Govinddas Maneklal ..	Asarva Road, Ahmedabad.
369	,, Bhaidas Nanalal	Messrs. Bhaidas Karsondas & Co. ..	7/10, Elphinstone Circle, Bombay.
370	,, Tribhovandas Purshottam	,, Narotamdas Ramchand & Co.	C/o Mackinon Mackenzie & Co., Ballard Estate, Bombay.
371	,, Vrajlal Jivandas	,, Lukhmidas Vrajlal & Co. ..	M. J. Market, Govind Galli, Bombay.
372	,, J. K. Dubash	Mr. J. K. Dubash	Dady House, Churchgate Street, Bombay.
373	,, Mulji Lukhmidas	Messrs. Vussonji Morarji	36, Holi Chuckla, Bombay.
374	,, Ratilal Mulji Gandhy ..	,, R. Ratilal & Co.	36, Hamam Street, Fort, Bombay.

Serial No.	Representatives of Members.	Names of Members.	Addresses.
375	Mr. Dayaram Sadhumal ..	Messrs. Dayaram Sadhumal ..	58, Chhipi Chawl, Bombay.
376	„ Ramdas Raghowji ..	„ Raghowji Govindji & Co. ..	Mulji Jetha Market, Navi Galli, Bombay.
377	„ Jagmohundas Kaliandas ..	Mr. Jagmohundas Kaliandas ..	"Laila Hall" Mount Mary, Bandra.
378	„ M. S. Captain	Messrs. Captain & Vaidya	121, Esplanade Road, Fort, Bombay.
379	„ Lachhmandas Harkhchand Daga.	„ Rai Bahadur Bansilal Abirchand.	558/62, Shaikh Memon St., Bombay.
380	„ Tribhovan Kesavji ..	„ Tribhovan Kesavji & Co. ..	271, Frere Road, Fort, Bombay.
381	„ V. P. Lalan	„ Lalan & Co.	Elphinstone Circle, Fort, Bombay.
382	„ Pestonji Naoroji Kapadia	„ Madhowji & Naoroji ..	113, Esplanade Road, Fort, Bombay.
383	„ Hormasji Pestonji Kapadia	„ Madhowji & Naoroji ..	113, Esplanade Road, Fort, Bombay.
384	„ Nanji Ludha	„ Kurpal Harsey & Co. .. (The Bombay Rice Merchants' Association.)	New Chinch Bunder Road, Bombay.
385	„ Sunderdas Thakersey Rajda.	Mr. Sunderdas Thakersey Rajda ..	45, Old Hanuman Lane, Kalbadevi Road, Bombay.

386	Mr. Gopalji Ratansey	Messrs. Jethabhai Gopalji & Co. ..	Mulji Jetha. Market, Pragraj Galli, Bombay.
387	„ Chunilal Bhaichand Mehta	Mr. Chunilal Bhaichand Mehta ..	50, Marwari Bazar, Bombay.
388	„ Apaji B. Amin	Messrs. Apaji Amin & Co.	Bharucha Bldg., Princess Street, Bombay.
389	„ S. B. Cardmaster	„ The Bombay Life Assurance Co., Ltd.	73-75, Apollo Street, Fort, Bombay.
390	„ Ratilal M. Nanavati ..	„ Kantawalla Nanavati and Co., Ltd.	30, Tamarind Lane, Fort, Bombay.
391	„ Shapurji Sorabji	„ Sorabji Shapurji & Co., Ltd.	E. D. Sassoon Building, Ballard Estate, Bombay.
392	„ Haji Essa Haji Oosman Poonawalla.	„ Haji Noormahomed & Haji Essa.	9, Club Back Road, Byculla, Bombay.
393	„ J. B. Boman-Behram ..	Mr. J. B. Boman-Behram	Sea side, Colaba.
394	„ Jivanlal Motichand Shah..	Messrs. Jeevanlal & Co.	Kansara Chawl, Kalbadevi Road, Bombay.
395	„ Sultan Chinoy	„ The Bombay Garage ..	Opp. Band Stand, Chaupatty, Bombay.
396	„ Pherozeshah J. Marzban ..	„ J. B. Marzban & Co. ..	Jam-e-Jamshed Office, Ballard House, Manglore St., Fort, Bombay.
397	„ Ahmed N. Futehally ..	„ N. Futehally & Co. ..	19, Bank Street, Fort, Bombay.
398	„ Pandharinath Ramrao Dalvie.	„ Dalvie Brothers	1, Bruce Road, Fort, Bombay.
399	„ Ballabhdas Eshwardas Agrawal.	Mr. Ballabhdas Eshwardas Agrawal	Khandwa, (C. P.)
400	„ Bhawanji A. Khimji ..	Messrs. Arjan Khimji & Co. ..	Navsari Chambers, Outram Road, Fort, Bombay.

Serial No.	Representatives of Members.	Names of Members.	Addresses.
401	Capt. S. A. Paymaster ..	Capt. S. A. Paymaster	Adenvalla House, Mathew Road, Bombay.
402	Mr. Mathradas Khimji ..	Messrs. The Jamnadas Nursey Ginning & Pressing Co., Ltd.	Albert Building, Hornby Road, Fort, Bombay.
403	,, Karamchand Chunilal ..	Mr. Karamchand Chunilal	Sriram Mansion, Sandhurst Road, Bombay.
404	Seth Kasturbhai Lalbhai ..	Seth Kasturbhai Lalbhai	Pankor Naka, Ahmedabad.
405	Mr. Rustom Pestanji Masani ..	Mr. Rustom Pestanji Masani ..	Central Bank Building, Esplanade Road, Bombay.
406	,, Dwarkadas Chhotalal Vakil.	,, Dwarkadas Chhotalal Vakil ..	12, Third Parsivada, Girgaum Back Road, Bombay.
407	Rao Bahadur Laxman Vishwanath Pophale.	Rao Bahadur Laxman Vishwanath Pophale.	Malegaon, (District Nasik).
408	Mr. Dayaram Surajmal Lahoti	Messrs. Mahaboobshahi Kulbarga Mills Co., Ltd.	133, Prendergast Road, Secunderabad. (Dn.)
409	,, Girdharlal H. Lohana ..	Mr. Girdharlal H. Lohana	Duncan Road, Bombay 4.
410	,, D. T. Thadhani	Messrs. Mallik, Thadhani & Co. ..	Kazi Syed Street, Bombay.
411	,, M. L. Dahanukar	Mr. M. L. Dahanukar	Parvati Bldg., Princess St., Bombay.
412	,, D. M. Madon	Messrs. The Tata Iron & Steel Co. Ltd.	Bombay House, Bruce Street, Fort, Bombay.

413	Mr. Mathuradas Vissanji ..	Messrs. Vissanji Sons & Co. ..	9, Wallace St., Fort, Bombay.
414	,, Nemchand Abaichand ..	,, Nemchand Khimchand & Co.	182, Shaikh Memon St., Bombay.
415	,, Motilal Bawalal	,, Motilal Bawalal	Dalal St., Fort, Bombay.
416	,, N. N. Dutt	,, Hindusthan Co-operative Insurance Society, Ltd.	Commissariat Bldg., Hornby Road, Fort, Bombay.
417	,, Hargovandas Jeevandas..	Mr. Hargovandas Jeevandas ..	Diamond Bldg., Lohar Chawl, Bombay 2.
418	,, Preheladji D. Bhat ..	Messrs. Purshotam Mathradas & Co., Ltd.	80, Kazi Syed Street, Bombay.
419	Rao Saheb Chunilal G. Munim.	Rao Saheb Chunilal G. Munim ..	Kilachand Devchand's Bungalow, Girgaum B. Road, Bombay.
420	,, Ebrahim Curmally ..	Messrs. Curmally Janmahomed ..	160, Samuel Street, Bombay.
421	,, N. W. Gurjar	,, Kirloskar Bros., Ltd. ..	Kirloskarvadi, (Dist. Satara).
122	,, M. L. Dahanuker	The Maharashtra Chamber of Commerce.	Phoenix Bldg., Ballard Estate, Fort, Bombay.
423	,, Jayantilal Devidas ..	Mr. Jayantilal Devidas	Carnac Bunder, Bombay.
424	,, Idanmal Jhamatmal ..	Messrs. Dhanamal Chellaram ..	62-64, Medows Street, Fort, Bombay.
425	Khan Bahadur D. B. Cooper ..	The Cooper Engineering Works ..	"Huntworth," SATARA.
426	Mr. Mulraj Karsondas ..	Messrs. Mulraj & Co.	5, Dalal St., Fort, Bombay.
427	,, Reginald Herber Parker ..	Bombay Telephone Co., Ltd. ..	Home St., Fort, Bombay.

Serial No.	Representatives of Members.	Names of Members.	Addresses.
428	Mr. G. K. Dalal	Messrs. Dalal & Mehta	315, Hornby Road, Fort, Bombay.
429	,, Natvarlal Bhagvanlal Desai	,, Natvarlal & Co. ..	Whiteaway Laidlaw Bldg., Hornby Road, Fort, Bombay.
430	,, G. S. Mahomed	Mr. G. S. Mahomed	160, Samuel Street, Bombay 3.
431	,, Tulsidas Khimji	,, Tulsidas Khimji	46, Churchgate St., Fort, Bombay.
432	,, Ramjanally Ebrahim ..	Messrs. Ramjanally Ebrahim & Co.	81, Princess Street, Bombay.
433	,, Ranchhoddas Harkisondas Merchant	Mr. Ranchhoddas Harkisondas Merchant	Justice Patker's House, Hughes Road, Bombay.
434	,, Bhaidas Maganlal ..	,, Bhaidas Maganlal	Moosa Bldg., Khetwady Main Road, Bombay.
435	,, Jugmohandas J. Kapadia .	,, Jugmohandas J. Kapadia ..	Coronation Bldg., C. P. Tank Road, Bombay.
436	,, A. A. Jasdenvala	Messrs. Adamji Lookmanji & Co. ..	127, Fort Street, Fort, Bombay.
437	,, D. Cowasji	Messrs. D. Cowasji & Co. Ltd. ..	20, Fort Street, Fort, Bombay.
438	,, H. B. Reporter	,, Empress Iron & Brass Works	Connaught Road, Parel, Bombay.

439	Mr. Virchand Panachand Shah	Mr. Virchand Panachand & Co. ..	Gaumukh Bhuvan, Musjid Bunder Road, Bombay.
440	,, Khimji Madan Bhujpuria .	The Bombay Grain Dealers' Association	Cutchi Dasha Shrimali Mahajanwadi, Kandewady, Bombay.
441	,, Nagindas Tribhowandas Master.	Mr. Nagindas Tribhowandas Master	94, Medows St., Fort, Bombay.
442	Dr. Jinabhai L. Desai	Dr. Jinabhai L. Desai	Whiteaway Laidlaw Bldg., Hornby Road, Bombay.
443	Mr. Shivramdas B. Kedia ..	Mr. Shivramdas Gangaprasad Kedia	556, Shaikh Memon Street, Bombay.
444	,, Ardeshir Rustomji Billimoria.	Madan Theatres, Ltd.	Excelsior Theatre, Fort, Bombay.
445	,, H. M. Mehta	Messrs. H. M. Mehta & Co.	Apollo St., Fort, Bombay.
446	,, Arvind N. Tana	Mr. Arvind N. Tana..	Dahanu, Dt. Thana.
447	,, Jagjivan Ujamshi ..	,, Jagjivan Ujamshi	Wadia Bldg., Dalal St., Bombay.
448	,, Chandulal Mohanlal ..	,, Hemchand Mohanlal	Dhanji Street, Bombay.
449	,, Erachshaw R. Heerjibehedin.	,, Erachshaw R. Heerjibehedin ..	Kaiser-Chambers Elphinstone Circle, Fort, Bombay.
450	,, V. S. Ramalingam Chettiar	T. C. P. A. Yelasarakku Virpanai Co., Ltd.	74-76, Kazi Syed Street, Bombay 3.
451	,, Mangaldas B. Mehta ..	Messrs. Amarchand & Mangaldas ..	36, Tamarind Lane, Fort, Bombay.
452	,, V. G. Motwani	Eastern Electric & Trading Co. ..	175, Hornby Road, Fort, Bombay.
453	,, Dwarkadas Haridas ..	The Bombay Hosiery Merchants' Association.	Chukla Street, Bombay.

Serial No.	Representatives of Members.	Names of Members.	Addresses.
454	Mr. Devji Tokersi Moolji ..	Mr. Devji Tokersey Moolji	Bhat Bazar, Mandvi, Bombay.
455	,, Valabhdas Tejpal	,, Valabhdas Tejpal	219, Vadgadi, Bombay.
456	,, Fakirjee Cowasjee ..	Messrs. Cowasjee & Sons	Kimari, Karachi.
457	,, Choonilal Girdharlal ..	,, Choonilal Girdharlal & Co..	24, Churchgate St., Fort, Bombay.
458	,, Damodar Nanji Mehta ..	The Ghee Merchants' Association ..	Mudi Bazar, Mandvi, Bombay.
459	,, Ratilal Mulji Gandhy ..	The Seeds Traders' Association ..	Gaya Building, Musjid Bunder Road, Bombay.
460	Sir Chunilal V. Mehta, K.C.S.I...	Sir Chunilal V. Mehta, K.C.S.I. ..	Navsari Chambers, Outram Road, Fort, Bombay.
461	Mr. Amritlal Popatbhai ..	Messrs. Amritlal Popatbhai & Co. ..	Agakhan Building, Dalal Street, Fort, Bombay.
462	,, Lalbhai Manilal Lalubhai Teli.	Mr. Lalbhai Manilal Lalubhai Teli	C/o The Indian Cotton Oil Co., Navsari.
463	,, Goolamhusein Ebrahim ..	Messrs. Abdoolally Ebrahim ..	121, Nagdevi St., Bombay.
454	,, Pheroze H. Sidhwa ..	,, Bharat Flooring Tiles Co. ..	20, Apollo St., Fort, Bombay.
465	,, H. S. Mitha	Mr. Husein Suleman Mitha.. ..	Sugar Market, Bombay 3..

Rules and Regulations of the Indian Merchants' Chamber.

(*As amended upto 27th November* 1926.)

Name.

1. The Association shall be styled "The Indian Merchants' Chamber."

Office.

2. The office of the Chamber will be situate in Bombay.

Objects.

3. The objects for which the Chamber is established are:—

(*a*) To encourage friendly feeling and unanimity among business community on all subjects connected with the common good of Indian merchants.

(*b*) To secure organised action on all subjects relating to the interests of the Indian business community directly and indirectly.

(*c*) To promote the objects of the Indian business community in matters of inland and foreign trade, shipping and transport, industry and manufacture, banking and insurance.

(*d*) To collect and disseminate statistical and other information securing the promotion of the objects of the Chamber, and to make efforts for the spread of commercial and economic knowledge.

(*e*) To take all steps which may be necessary for promoting, supporting or opposing legislation or other action affecting the aforesaid interests by the Government or any Department thereof or by any local body or bodies and in general to take the initiative to secure the welfare of the business community in all respects.

(*f*) To make representations to Local, Central or Imperial authorities, Executive or Legislative, on any matter affecting trade, commerce, manufacture or shipping, banking or insurance.

(*g*) To undertake by arbitration the settlement of commercial disputes between merchants and businessmen and also to provide for arbitration in respect of disputes arising in the course of trade, industry or transport, and to secure the services of expert technical and other men to that end if necessary or desirable.

(*h*) To advance and promote commercial and technical education and to found and support establishments and institutions for such purposes.

(*i*) To undertake special enquiries and action for securing redress for legitimate grievances of any branch of trade or industry as also all such other action as may be conducive to the extension of trade, commerce or manufactures, or incidental to the attainment of the above objects.

(*j*) To secure the interests and well-being of the Indian business communities abroad.

(*k*) And generally to do all that may be necessary in the interests of the realisation of the above objects of the Chamber directly or indirectly.

Members.

4. There shall be three classes of members:—(1) Ordinary, (2) Patrons and (3) Honorary;

(1) There will be three classes of ordinary members:—

(*a*)—Residents of Bombay and its suburbs who will have to pay Rs. 75 as annual subscription; but Joint-stock Companies will have to pay Rs. 100 per year.

(*b*)—Mofussil members who will have to pay Rs. 25 as annual subscription.

(c)—Associtions which will have to pay Rs. 125 as annual subscription.

Admission Fee: All the ordinary members and patrons will have to pay Rs. 100 as admission fee which will be credited to a capital fund of the Chamber and shall not be expended on revenue account except with the consent of the general body.

(2) Patrons:—Indian firms or individual Indian merchants can join as Patrons. Firms will have to pay Rs. 5,000 and individuals Rs, 2,500 as donation, the proceeds of which will be credited to a capital fund which shall not be expended on revenue account but the interest whereof shall be taken to revenue account.

(3) Honorary members:—Gentlemen distinguished for public services or eminent in commerce and manufactures or otherwise interested in the aims and objects of the Chamber may be elected as Honorary members by a General Meeting of the Chamber by two-thirds of the majority of members present at the meeting on the recommendation of the Committee and as such shall be exempted from paying subscriptions. They shall not be entitled to vote at any meeting of the Chamber nor shall they be eligible to serve on the Committee.

Eligibility for membership of the Chamber.

5. Any Indian gentleman, firm or association engaged in mercantile pursuits or interested in trade and commerce desirous of joining the Chamber shall be eligible for membership.

Election of members.

6. (a) The applicant, whether an individual or a firm or an association, shall sign the admission form giving details of one's business and send it to the Secretary with signatures of the proposer and the seconder, who must be members of the Chamber. This application shall be submitted to the Committee who will fix the dates for the election by ballot, and appoint a scrutineer. At least seven days' notice shall be

given to all the members, stating dates for voting and the names of candidates with their proposers and seconders. Votes shall be received during the said seven days from 11 A. M. to 4 P. M. (B. T.).

(*b*) On the seventh day the ballot-box shall be opened at 4. P. M. (B. T.) by a scrutineer and the Secretary who will jointly declare the result of the voting.

(*c*) At least one tenth of the members of the Chamber must register their votes to make the ballot valid.

(*d*) In all voting for election to membership the presence in the ballot-box of black balls in the proportion of one in six shall exclude.

Twelve negative votes shall be deemed to exclude.

Resignation.

7. A member wishing to resign shall give written notice to the Secretary not less than one calendar month before the completion of his annual period; otherwise he will be liable for the subscription for the next year.

Disqualifications of members.

8. A member shall be deemed to be disqualified if:

(*a*) he becomes an insolvent.

(*b*) he fails to discharge his subscription for a period extending over twelve months.

Privileges of members.

9. A member of the Chamber shall be entitled

(*a*) To obtain gratis publications of the Chamber,

(*b*) To the free use of the Chamber's library,

(*c*) To vote at all meetings of the Chamber or on any matter referred to the General body of members by circular,

(*d*) To be elected as an office-bearer of the Chamber.

Meetings of members.

10. There shall be held a general meeting of members, which shall be called the Annual Ordinary General Meeting within a month of the 31st December when the official year of the Chamber closes (provided that the Committee can extend the period upto a fortnight by a special resolution), to transact the following business:—

(*a*)—To receive the annual report of the retiring Committee and the audited statement of accounts of the Chamber.

(*b*)—To record the declaration of the result of election of office-bearers for the ensuing year.

(*c*)—To elect an auditor for the ensuing year.

(*d*)—To transact such other bnsiness of which notice may have been given by a member five clear days before the date fixed for the Ordinary General Meeting, and of which the Secretary will have given notice to the general body of members by post or otherwise two days before the date of the meeting.

There shall be held during the course of the year in addition to the Annual Ordinary General Meeting three other ordinary meetings when a resume of the work done during the previous quarter will be supplied to members.

A Special General meeting of members may also be called whenever the Committee think fit; and the Committee shall also call a Special General Meeting on the requisition in writing of at least 10 members of the Chamber stating the object of the meeting.

At least three days' clear notice shall be given to members specifying the day, place, hour and objects of the meeting even when the special General Meeting is convened by the Committee.

Ten days' clear notice of all other General Meetings, whether ordinary or special, shall be given to members specifying the

day, place, hour and object of the meeting. Such General Meetings will also transact such other business of which notice has been given by a member five clear days before the date fixed for the meeting and of which the Secretary has given notice either by post or otherwise to the general body of members two days before the date of the meeting.

11. 15 members shall be deemed a quorum for a General Meeting whether Ordinary or Special. No business can be transacted at any General Meeting, whether Ordinary or Special, if within 30 minutes of the hour specified for the meeting no quorum is formed. In that case the meeting shall stand adjourned to such date, hour and place as the members present at the meeting may fix.

Quorum.

12. An adjourned meeting can transact the business for which it is called without the necessary quorum.

Adjourned meeting.

13. The Chairman of the Committee shall preside at every General Meeting or the Vice-Chairman in his absence. In the case of the absence of the Chairman as well as the Vice-Chairman, the members present may vote one from among themselves to take Chair.

Chairman.

14. Every resolution submitted to the meeting shall be decided by a show of hands. In the case of equality of votes the Chairman shall have a casting vote in addition to his own vote. Each member has the right to speak and vote on any subject which may be submitted for consideration at any General Meeting, provided that firm or association having more than one member shall have one vote only though its several members may be present at the meeting and take part therein.

Voting at meetings.

15. At every Annual Ordinary General Meeting there shall be elected a Committee to carry out the objects of the Chamber, consisting of the Chairman, the Vice-Chairman, and 23 members.

Managing Committee.

16. The Committee shall fill up any vacancy of an ordinary member thereof occurring during the year.

Vacancy in the Committee.

Non-attendance of a member of the Committee without the previous permission of the Committee at meetings of the Committee for three months consecutively will be considered a disqualification for his membership of the Committee and his office shall be considered vacant for the purposes of this rule.

The Secretary will send a reminder to a member of this rule if he has absented himself for two months without the required permission.

17. Any vacancy during the year in the office of the Chairman or the Vice-Chairman created by resignation or by his going out of India for more than one month shall be filled up by election in accordance with rule No. 26.

Vacancy in the office of the Chairman or the Vice-Chairman.

If the Vice-Chairman goes on leave in India for more than one month, the Committee shall appoint a substitute during his absence form among its own members.

18. The Committee shall retire at the end of its term of office but shall continue in office till its successor is appointed.

Retirement of the Committee.

19. The Committee shall frame its own rules for the purpose of regulating its proceedings which may be amended or altered or revised as it may deem expedient.

Rules of the Committee.

20. The Committee shall have the power to appoint a Secretary on such remuneration as it may deem proper and prescribe his duties and functions.

Secretary.

21. The Committee shall cause accounts of the Chamber to be kept and all receipts and funds shall be paid into such bank or banks as may be selected by it. Such accounts shall be regularly audited at the close of the year, and adopted at the Ordinary Annual General Meeting.

Accounts of the Chamber.

22. The Committee shall meet at least once a month to dispose of all communications and references and consider all matters which may be on the agenda.

Meeting of the Committee.

23. The Committee shall cause to be kept a book in which the minutes of the proceedings shall be regularly recorded.

Minute Book.

If a member of the Chamber wishes to see this minute book he can do so after giving at least 24 hours' notice to the Secretary of the Chamber.

24. After the commencement of a new official year, representatives of principal trades who are members of the Chamber shall be asked by the Committee to elect Sub-Committees of five members from amongst themselves. All questions relating to these trades coming before the Committee during the course of the year shall be first referred to such Sub-Committees whose suggestions shall then be placed before the Committee. Such Sub-Committees shall be formed only for those trades which have at least ten representatives as members of the Chamber. The work of electing Sub-Committees shall ordinarily be done by the representatives themselves, but they can have the assistance of the Secretary of the Chamber if they require it.

Sub-Committees.

The Committee shall at their discretion appoint a Sub-Committee from among their members to consider and report upon

such special matters as they may deem expedient and they shall also have the to power invite at their meeting persons other than members of the Chamber and the Committee to consult them or take their advice on such matters as may be deemed necessary.

Register of members.

25. The Secretary shall state in the register of members of the Chamber names of gentlemen who may be representing, for the time being, any members of the Chamber whether associations firms or individuals. These names will also be given in the lists of members submitted to members for the election of office bearers and representatives of the Legislative Council and such other public bodies. The elected gentlemen will be considered to be personally elected as representing particular members, and on their place falling vacant through any reason a fresh election will be made according to the rules in force for the time being.

Any member of a firm or its representative, being on that account a member of the Chamber, on his severing the partnership or connection with the firm, will no longer be a member of the Chamber.

This rule will not affect Rule No. 14.

This register shall contain details regarding business of all members and shall also record the classified lists of members according to different trades.

Election of Committee.

26. A list of members of the Chamber together with a list showing the attendance of members of the Committee at their meetings during the year shall be circulated by the Secretary amongst all the members before the 15th of January. Within a week of the receipt thereof nominations for Presidentship, Vice-Presidentship, and membership of the Committee duly proposed and seconded and approved by the nominee, shall be sent to the Secretary. The Secretary shall prepare and publish a list of nominations received by him together with the names of

their proposers and seconders. This list shall be called the voting paper. Voting papers shall be sent to the members of the Chamber seven clear days before the date fixed for the election. The President and the Vice-President shall be elected from among the nominations received for Presidentship and Vice-Presidentship respectively and 23 Members of the Committee shall be elected from among the nominations received for membership of the Committee. Votes recorded for a candidate for Presidentship will be ipso facto recorded for his election as a member of the Committee. President and Vice-President shall be ex-officio members of the Committe.

The voting shall be by means of voting papers received in the ballot-box on days fixed by the Committee marked with crosses against the names of members whom they wish to propose as office bearers.

The voting by ballot will be carried on in the following manner :—Big and small printed envelopes addressed to the Secretary of the Chamber will be sent to members with voting papers. Members will enclose their voting papers in the small envelope and then enclose both this envelope and a letter duly signed stating that the voting paper is sent by them in the big envelope and send this to the Secretary who will open it placing the letter with the signature in one box and the small envelope containing the voting paper, which shall be unsigned, in the ballot box.

The retiring Committee shall appoint two scrutineers who must be members of the Chamber, who with Secretary will open the ballot-box on the day following the ballot days and declare the result. Those who have obtained the highest number of votes shall be deemed to be duly elected. But in the event of refusal to serve on the part of any one or more of them, the member or members who has or have obtained the next highest number of votes shall be considered to be elected in his or their place. The new Committee shall take office on the first day succeeding the holding of the Ordinary Annual General Meeting and they

shall so continue to act until the holding of the next Ordinary Annual General Meeting. A member or members of the Chamber representing it in the Bombay Legislative Council, the Bombay Port Trust or the like public bodies will be ex-officio members of the Committee if they are not already members of the same.

(a) The new Committee shall co-opt, out of the general body of members, five Association members :

(b) The new Committee shall further co-opt three ordinary members, who in their opinion will prove useful to them for consultation.

Such co-opted members will be elected by the Committee at its first meeting by ballot from among the members proposed at the meeting by members of the Committee.

Equality of vote.

27. In the case of equality of votes recorded for the election of the Chairman or the Vice-Chairman or both, the Committee will invite a second ballot as to who shall be elected. In the case of equality of votes recorded for members of the Committee lots will be drawn and the election be declared in favour of the member who draws the lot.

Visitors.

28. Any person resident out of Bombay, engaged or interested in mercantile pursuits visiting Bombay may be introduced as a visitor by any member of the Chamber who has previously obtained permission of the Chairman or in his absence the Vice-Chairman, through the Secretary, provided that a residence beyond one month shall subject such visitors to the rules for the admission of members.

Funds of the Chamber.

29. All moneys or funds of the Chamber shall be primarily paid into the hands of the Secretary who shall pay the same into an account to be opened with any bank that may be approved by the Committee in the name of the

Chamber. All cheques on that account shall be signed by the Chairman or in his absence by the Vice-Chairman for the time being and a member of the Committee in the absence of both the Chairman and the Vice-Chairman cheques shall be signed by two members of the Committee. All cheques shall be counter-signed by the Secretary.

Expulsion of members.

30. The Chamber reserves to itself the right of expelling any member in case he does any act or pursues any conduct that is either in contravention of the rules of the Chamber or detrimental to its credit or is in any way injurious to its welfare and interest or by any other good and sufficient reasons it is thought desirable to remove him from his membership of the Chamber. But action on that behalf shall only be taken on the resolution of a General Meeting whereat four-fifths of members present have voted in favour of the proposal.

Alteration in Rules and Regulations.

31. The foregoing rules and regulations shall be copied in book to be kept with the records of the Chamber. Printed copies of the same shall be forwarded to all the members and no alteration or addition shall be made therein or thereto save and except by a majority of three-fourth of the members of the Chamber present at a General Meeting convened by a notice issued at least 7 clear days before the holding of such a meeting and in which all the terms of proposed alterations or additions shall have been clearly set forth.

RULES OF THE COURT OF ARBITRATION OF THE CHAMBER.

As it is desirable that there should be a tribunal for the speedy disposal of disputes and differences arising between merchants, the Indian Merchants' Chamber has adopted the following scheme:—

1. There shall be a court of Arbitration working under the supervision and guidance of the Chamber.

2. The Council of the Chamber shall prepare a list of not less than 60 persons who having consented to do so shall form the Court of Arbitration. Whenever called upon a member or members shall solely or jointly constitute a tribunal for the disposal of a case referred to him or them.

3. There shall be a committee of five members elected by the Court from among themselves who shall regulate the appointment of arbitrators by the parties for the tribunal, preparing and revising rules of procedure and preparing tables of fees to be charged and paid.

4. This Committee shall be a permanent body but so that two members thereof shall retire every year and whose places shall be filled up by the Court. The retiring members shall be eligible for re-election.

5. In electing members of the Court the Council of the Chamber shall have regard to the recommendation of the Chambers of Commerce and Trade Associations affiliated to this Chamber.

6. The Secretary of the Chamber shall be the Registrar of the Court. It shall be his duty to act as Secretary of the Court, its Committee and its tribunal and keep records and do all the executive work of the Court.

7. The rules of the Indian Arbitration Act of 1899, and Schedule 2 of the Civil Procedure Code of 1908 (Arbitration) will apply to the arbitrations under these rules except as modified by them.

8. The disputants who wish to take advantage of this scheme shall execute a reference paper in the form prepared by the Committee of the Court and file the same with the Registrar.

9. The Registrar will place reference papers before the Committee of the Court. Parties should nominate arbitrators and in case of their failure to do so within a week from the day of filing reference the Committee of the Court shall appoint two

arbitrators, and direct to procure their consent to act in the tribunal. This having been obtained and the tribunal constituted the Registrar shall fix a day for the trial and give notice thereof to the parties.

10. On the day fixed for trial and before they commence it, the Arbitrators, if they are more than one, between themselves fix upon an Umpire who should take up the arbitration in case of the difference of opinion between the arbitrators. This name shall not be disclosed but shall be written on a paper, put in an envelope and sealed. The envelope shall be handed over to the Registrar who will open it only in case of difference of opinion and thereupon immediately request the Umpire to take up the matter.

11. The arbitrators may take oral or documentary evidence, hear parties or their agents, may take expert advice and do every thing in the matter to come to a right decision of the case.

12. Within one month from the filing of the reference, or such further time as they may extend, the arbitrators shall prepare a written award, sign the same in the presence of the Registrar and hand over the same to him.

13. The arbitrators in their decision may by writing extend the time to make their award but in no case it will be later than three months from the date of reference. If they fail to make the award within the time prescribed, the Registrar shall forthwith request the Umpire to take up the matter.

14. The Umpire shall make his award within a fortnight from the day he takes it up provided he extends the time to do so by writing, but such shall not exceed two months from the day on which he has taken up the matter. If he fails to give his award during that time the arbitration shall lapse and the parties may put in a fresh reference.

15. The parties to an arbitration shall pay to the Registrar such fees as may from time to time be fixed by the Committee of the Court.

16. The arbitrators of a tribunal or an Umpire entitled to such fee or fees for their services as may be fixed by the Committee of the Court.

RULES PREPARED BY THE COMMITTEE OF THE COURT FOR CARRYING ON THE WORK OF THE ARBITRATION COURT.

The provisions of Act IX of 1899 (Arbitration) will apply to all the arbitration made to this Court under its rules.

2. Under these rules the word "The Court" means the Court appointed by the Committee to the Arbitration Court.

3. The disputants shall prepare a submission paper in the form (1) of the Indian Arbitration Act, copies whereof will be supplied by the Registrar on payment of one anna.

4. The submission paper shall state :

(*a*) The name of disputants made over in several numbers and arranged as far as practicable as Plaintiffs and Defendants.

(*b*) Each party shall mention in short the facts of his case

(*c*) Specify the name of the sole Arbitrator or two Arbitrators as the case may be to whom the submission would be made.

(*d*) Specify whether the Arbitrator or Arbitrators have consented to take up the arbitration.

(*e*) A statement showing that the party shall abide by the award made by the Arbitrators or Arbitrators or the Umpire unless it is bad in the Law.

(*f*) Specify that they have paid Rs. 20 to the Registrar at the time of the submission paper or in case of more arbitrators than one, Rs. 20 for each arbitrator named.

(*g*) The disputants who are not members of the Chamber shall pay double the fees mentioned in Schedule.

5. On receipt of the reference paper the Registrar shall fix a day for the hearing of the case and give notice to the Arbitrators and the parties. In case any of the Arbitrators refuses to act, the Committee shall be called upon to nominate an Arbitrator in his place who after signifying his consent will at once take up the matter.

6. The Registrar shall issue notices to the parties to appear before the Arbitration Court with the papers proving their case and the witnesses if any.

7. The Court before proceeding with the case and if the Arbitrators are more than one shall write down the name of the Umpire in case of their disagreement, and place the paper in an envelope, seal it and hand it over to the Registrar. The name shall not be mentioned to any person until on the opening of the envelope, by the Registrar as hereinafter provided.

8. The Arbitrators shall hear the parties and their witnesses, consider the documents produced and thereafter adjourn to consider their award.

9. Within the time fixed by the Court Rule XII and within such extended time as may be fixed by the Court but in no case more than three months from the date of the submission, the Arbitrators shall sign their award in the presenee of the Registrar who will attest the same and file it.

10. The Arbitrators shall in the arbitrations make provision for the costs and the proportion in which and by whom and to whom to be paid.

11. If the hearing lasts for more than one day of two hours at a time the arbitrators may fix upon the amount of the Court's costs to be paid per diem by the parties.

12. If the arbitrators do not agree as to the award the non-agreement shall be notified to the Registrar who will open the

sealed envelope and will at once refer the matter of difference to the Umpire who will make his award within the time prescribed by Rule XIV of the Courts Rules.

13. When the award is made by the Umpire the same shall be signed by him in the presence of the Registrar who will attest it and file it.

14. The Registrar within four days from the filing of the award give notice to the parties and when applied for give a copy of the same to him or them.

15. The fees fixed in the Schedule annexed hereto shall be charged under these rules.

Schedule.

(1) Fee to be tendered with the reference paper Rs. 20 for each Arbitrator named in the Reference paper and a fee of Rs. 30 shall be tendered for the Umpire in case the matter is referred to the Umpire provided that Rs. 5 shall be deducted from all such fees as fees due to the Chamber.

(2) The parties before they enter upon hearing shall deposit Rs. 50 for making and stamping the award which will be accounted for at the time of filing the award.

(3) The party applying for copy of the award shall pay full stamps required to be paid under the Stamp Act and the copying charges.

RULES FOR THE ELECTION OF PORT TRUSTEES BY THE CHAMBER.

(Adopted at the Extra-ordinary General Meeting of the Chamber held on Wednesday, the 28th February 1923.)

1. The Electoral Roll of the Chamber shall be prepared by the Secretary and circulated among the members of the Chamber at least 12 clear days before the date of the election giving particulars regarding the respect

tive trade of each member provided that the name of each member shall be entered under any one of the following trade-sections as he may select, viz. (1) Cotton (2) Piecegoods (3) Grain and Seeds (4) General. No member, after once selecting a particular section, shall be allowed to get his name transferred to another section except for special reasons, and the Committee shall decide as to the validity of such reasons. Protests, if any, against the allocation of a member to a particular trade will be examined by a Sub-Committee consisting of two members appointed by the Committee and the Secretary, (whose decision shall be final) on any such date as may be fixed by them. Changes regarding other items in the Electoral Roll shall be notified to the Secretary, within three days of the issue of such a roll which shall be amended accordingly. No vote by proxy shall be allowed.

2. Candidates of the election as Port Trustees, as well as voters, should be members of the Chamber or duly nominated representatives of the members of the Chamber, with their names registered as such in the Register of Members of the Chamber and the Electoral Roll provided that candidates must always be Indians.

3. The Committee of the Chamber shall, as and when necessary, invite applications from members for election as Trustees of Port of Bombay and shall fix the date on which the election shall be held provided that there shall be the following allocation of seats to different trade interests:—

Trades	Seats.
Cotton	.. 1
Piecegoods	.. 1
Grain and Seeds	.. 1
General	.. 2

There may be any number of candidates from each of these sections but only the number allotted to each shall be elected.

4. Any member desirous of standing as a candidate for the election shall signify in writing such his desire to the Secretary seven clear days before the date fixed for the election, and send his nomination signed by his proposer and seconder who must be members of the Chamber stating what particular section he represents provided that he shall be allowed to stand on behalf of that particular section which has been specified against his name in the Electoral Roll under rule No. 1.

5. If the number of candidates for election for different sections shall be the same as the number of vacancies the candidates shall be deemed to be duly elected.

6. If the number of candidates for election for different sections shall exceed the number of vacancies the Secretary shall send the names of such candidates to each member of the Chamber three clear days before the date fixed for the election, giving particulars regarding the trade which each candidate represents.

7. The Committee of the Chamber shall appoint two scrutineers for the scrutiny of voting papers at least 7 clear days before the date of the election.

8. On the day of the election the ballot-box will remain open from 10 a. m, to 6 p.m. (S.T.) in the office of the Chamber. Voting papers will be supplied to members of the Chamber in the office of the Chamber and members will fill these up and place them in the ballot-box. The counterfoils of these voting papers shall be first signed by members which shall be retained by the Secretary. The bollot-box will be in charge of the Secretary or an officer of the Chamber appointed

by him. Scrutineers will seal the ballot-box at 6 p.m. (S.T.) on the day of the election and after scrutinising the voting paper shall on the day following along with the Secretary declare the result. No duplicate voting paper will be issued unless the original is returned. Candidates and their agents shall not be allowed in the room in which the ballot-box is placed excepting for the purpose of registering their own votes.

9. The candidate or, where there is more than one Trustees to be elected for the different sections, the candidates not exceeding the number of Trustees to be elected who has or have the largest number of votes shall be declared duly elected.

10. In the event of an equality of votes preventing the due election of any of the candidates the members shall vote afresh in the manner above laid down in respect of the candidates having an equal number of votes.

11 In the event of a casual vacancy or temporary absence of a Trustee the same course shall be followed in the appointment of a substitute.

RULES FOR THE ELECTION BY THE CHAMBER OF A REPRESENTATIVE ON THE BOMBAY MUNICIPAL CORPORATION.

(Adopted at the third Quarterly General Meeting of the Chamber held on 11th November 1922.)

(1) Candidates for the election as a corporator of the Bombay Municipality, as wellas voter, therefor, should be members of the Chamber or representatives deputed by member-firms or member associations (whose names should be duly notified to the Secretary of the Chamber from time to time) provided that candidates must always be Indians.

(2) Those members who wish to become candidates in conformity with Rule I should send their names to the office of the Chamber twelve clear days before the date fixed for the election together with the names of proposers and seconders.

(3) The Committee of the Chamber shall elect two Scrutineers at least seven clear days before the date fixed for the election.

(4) The Secretary of the Chamber shall circulate the names of candidates at least seven clear days before the date fixed for election.

(5) The Committee shall fix a day (notice thereof shall be given to all the members of the Chamber) on which the ballot-box will be kept open from 10 a.m. to 6 p.m. (S. T.). Voting papers will be provided to the members in the office of the Chamber and the members will be required to place them, duly filled in in the ballot-box. The slips containing the signature of the members, voting will be placed in another box. Both these boxes will remain in charge of the Secretary or other officer of the Chamber appointed by him. At 6 p.m. (S. T.) on the date of the election the Scrutineers shall seal the ballot-box and on the next day after scrutinising the voting papers declare the result of the election. A fresh voting paper will only be issued in return of the original one. It shall not be open to the candidates or to their agents to enter the room containing the ballot-box except for the purposes of recording their votes, nor will they be permitted to arrange refreshments in connection with the election.

(6) The candidate who gets the highest number of votes, shall be declared duly elected.

(7) In the event of two or more candidates getting an equal number of votes the election shall be held

afresh in the manner above laid down in respect of candidates getting an equal number of votes.

(8) In the case of there being only one candidate, he shall be declared to be duly elected.

(9) In the case of a casual vacancy necessitating the election of a substitute the election shall be made in the manner above laid down.

Rules for the Election by the Chamber of a Representative on the Improvement Committee.

(Adopted at the Special General Meeting of the Chamber held on 27th March 1926).

1. Candidates for the election as a member of the Bombay Improvement Committee, as well as voters therefor, should be members of the Chamber or representatives deputed by member-firms or member associations(whose names should be duly notified to the Secretary of the Chamber from time to time) provided that candidates must always be Indians.

Changes, if any, in names of representatives should be reported to the Secretary at least one week before the date of the election.

2. Those members who wish to become candidates in conformity with Rule 1 above should send their names to the office of the Chamber five clear days before the date fixed for the election together with the names of proposers and seconders.

3. The Committee of the Chamber shall elect two Scrutineers at least seven clear days before the date fixed for the election.

4. The Secretary of the Chamber shall circulate the names of candidates at least three clear days before the date fixed for the election.

5. The Committee shall fix a day (notice whereof shall be given to all the members of the Chamber) on which the Ballot-box

will be kept open from 10 a.m. to 6 p.m. (S. T). Voting papers wil be provided to the members in the office of the Chamber after getting their signatures on the counterfoil. These voting paper will be duly filled in by the members in the ballot-box room and placed in the ballot-box. The ballot-box will remain in charge of the Secretary or other officers of the Chamber appointed by him. At 6 p.m. (S.T.) on the date of the election the Scrutineers shall seal the ballot-box and on the next day after scrutinising the voting papers declare the result of that election. A fresh votins paper will only be issued in return of the original one. It shall not be open to the candidates or to their agents to enter the room containing the ballot-box except for the purpose of recording their votes, nor will they be permitted to arrange refreshments in connection with the election.

6. The candidates who gets the highest number of votes shall be declared duly elected.

7. In case any two or more candidates shall obtain an equal number of votes, the Chirman or, in his absence, the Vice-Chairman shall have a casting vote.

8. In the case of there being only one candidate he shall be declared to be duly elected.

9. In the case of a casual vacancy necessitating the election of a substitute the election for such period of vacancy shall be made by the Committee by ballot.

Rules for the Election of a Representative of the Indian Merchants' Chamber to the Senate of the Bombay University under Act IV of 1928. (Adopted at the Extraordinary General Meeting of the Chamber held on 12th February 1929.)

1. The list of Members of the Chamber in force one week before the election date shall be considered as the Electoral Roll, copies of which can be had from the Office of the Chamber on payment of Rupee One each. If any changes are required to be made in the name of representatives etc., in the Roll, information in writing must be given to the Secretary by members one week

before the date of election. No intimation received after the due date will be recognised.

2. Candidates for election should be members of the Chamber, or representatives deputed by members provided they are always Indians.

3. Any member desiring to stand as a candidate should send his name to the Office of the Chamber ten days before the date fixed for election together with the names of a proposer and a seconder, whose names appear on the Electoral Roll.

Any nomination paper which is not in confirmity with these Rules shall be deemed invalid and rejected as such.

4. The Committee of the Chamber shall elect two Scrutineers at least 5 days before the date fixed for election.

5. If there is not more than one candidate for election, the candidate duly nominated shall be declared to be duly elected. If, however, there are more candidates than one, the Secretary shall send the names of all candidates to each member of the Chamber seven days before the date fixed for election.

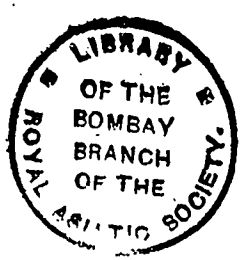
6. The Committee shall fix a day (notice whereof shall be given to all members of the Chamber) on which the ballot-box will be kept open from 10 a.m. (S.T.) to 6 p.m. (S.T.). Voting papers will be provided to members in the office of the Chamber and members will be required to place them duly filled in the ballot-box. Counterfoils of the voting papers, which should be placed in another box, should be first signed by the voters. Both these boxes will remain in charge of the Secretary or other officer of the Chamber appointed by him. The Scrutineers will seal the ballot-box at 6 p.m. (S.T.) on the day of election, and shall on the next working day, after scrutinising the voting papers, with the Secretary, forthwith declare the result. No duplicate voting paper will be issued unless the original is returned.

7. Candidates or their agents shall not be allowed in the room in which the ballot-box is placed, except for the purpose of

registering their own votes, and not more than one voter at a time shall be allowed in the room.

8. A candidate getting the highest number of votes shall be declared duly elected. In the event of two or more candidates getting the highest number of equal votes, the election shall be held afresh in the manner above laid down in respect of only those candidates who get highest number of equal votes, within five days of the declaration of the result.

If of the candidates who have secured an equal number of votes all but one withdraw from the contest and intimate in writing such withdrawal to the Secretary not less than two clear days before such a fresh election, the remaining candidate will be declared to be duly elected.



CHAIRMEN OF THE INDIAN MERCHANTS' CHAMBER:

1907 to 1913 The Hon. Sir Manmohandas Ramji.

1913—14 Sir Purshotamdas Thakurads, C.I.E., M.B.E., M.L.A.

1914—15 Sir Fazulbhoy Currimbhoy, C.B.E.

1915—16 The Hon. Sir Dinshaw Edulji Wacha.

1916—17 Sir Lallubhai Samaldas, C.I.E.

1917—18 Late Sir Vithaldas D. Thakersey.

1918—19 Sir Chunilal V. Mehta.

1919—20 Mr Jehangir Bomanji Petit.

1920—21 Mr. Lalji Naranji, M.L.C.

1922 Sir Purshotamdas Thakurdas, C.I.E., M.B.E., M.L.A.

1923 Sir Fazulbhoy Currimbhoy, C.B.E., (From 24-2-23 to 3-9-23. Mr. Devidas Madhowji Thakersey From 4-9-23 to 25-1-24.)

1924 The Hon. Sir Manmohandas Ramji.

1925 The Hon. Sir Phiroze C. Sethna, O.B.E.

1926 Mr. Lalji Naranji M.L.C.

1927 Mr. Walchand Hirachand, C.I.E., J.P.

1928 Sir Shapurji B. Billimoria, Kt., M.B.E., from 31-1-28 to 20-3-28.

Mr. H. P. Mody from 30-3-28 to 17-7-28; and

Mr. L. R. Tairsee from 28-7-28.

Secretary :—Mr. J. K. Mehta, M.A.

Assistant Secretary :—Mr. A. H. Maru, B.Sc., (Econ.) (NAT.)

Representative of the Chamber on the Indian Legislative Assembly—

Sir Purshotamdas Thakurdas, Kt., C.I.E., M.B.E., M.L.A.

Representative on the Bombay Legislative Council—

Mr. Lalji Naranji, M.L.C.

Chamber's representatives on the Board of Trustees of the Bombay Port Trust.

1. Sir Purshotamdas Thakurdas, C.I.E., M.B.E., M.L.A. (Cotton.)
2. Mr. Devidas Madhowji Thakersey, (Piecegoods.)
3. Mr. Velji Lakhamsee Nappoo (Grain and Seeds.)
4. Mr. Lalji Naranji M.L.C., (General.)
5. Mr. Laxmidas Rowji Tairsee. (General.)

Chamber's representative on the Bombay Municipal Corporation :—

Mr. Vithaldas Kanji.

Chamber's representative on the Improvement Committee.

Mr. Manu Subedar.

Representative on the Advisory Committees of the Bombay Development Department :—

Mr. Manu Subedar.

Backbay Layout Committee :—

Mr. Walchand Hirachand C.I.E., J.P.

Representative on the Indian Central Cotton Committee :—

Sir Purshotamdas Thakurdas, Kt. M.L.A.

Representative on the Advisory Committee of the Royal Institute of Science in Bombay.

Mr. Kapilram H. Vakil.

Representatives on the Local Advisory Committees of Railways.

G. I. P. Railway :—

The Hon. Sir Phiroze C. Sethna, O.B.E.

B. B. & C. I. Railway :—

Sir Purshotamdas Thakurdas, Kt., M.L.A.

Chamber's representatives on the Panel of the Railway Rates Advisory Committee :—

1. Sir Purshotamdas Thakurdas, Kt., C.I.E., M.B.E., M.L.A.
2. The Hon'ble Sir Manmohandas Ramji.
3. The Hon'ble Sir Phiroze C. Sethna, O.B.E.
4. Mr. Manu Subedar.
5. Mr. K. H. Vakil.

Chamber's representative on the Governing Body of the Mercantile Marine Training Ship S.S. "Dufferin" :—

Mr. M. A. Master.

Representative on the Senate of the Bombay University:—

Mr. K.H. Vakil.

Representative on the Traffic Control Committee (Bombay).
Mr. L. R. Tairsee.

MANAGING COMMITTEE FOR THE YEAR 1929.

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1. Mr. Lakhmidas Rowjee Tairsee, (President).
2. Mr. Husseinbhoy A. Lalji, M.L.C., (Vice-President).
3. Sir Purshotamdas Thakurdas, Kt., C.I.E., M.B.E., M.L.A.
4. Mr. Lalji Naranji, M.L.C.
5. Hon'ble Sir Phiroze C. Sethna, Kt., O.B.E.
6. Professor Sohrab R. Davar, Bar-at Law.
7. Mr. B. F. Madon.

8. Mr. Vithaldas Damodar Govindji.
9. Mr. Sarabhai N. Haji, M.L.A.
10. Mr. Walchand Hirachand, C.I.E.
11. Mr. H. P. Mody.
12. Sir Shapurji B. Billimoria, Kt., M.B.E.
13. Mr. Devidas Madhowji Thakersey.
14. Mr. Ishwardas Lakhmidas.
15. Professor Khushal T. Shah.
16. Mr. R. P. Masani.
17. Mr. Dwarkadas Chhotalal Carsondas Mulji Vakil
18. Mr. Manharlal Vrajdas Merchant.
19. Rao Saheb Harijivan Valji.
20. Mr. Jehangir Bomanji Petit, M.L.C.
21. Mr. N. M. Muzumdar.
22. Mr. Dhirajlal C. Modi.
23. Mr. Fazal Ibrahim Rahimtoola, M.L.A.
24. Hon'ble Mr. Ratansi Dharamsi Morarji.
25. Mr. Ebrahim G. Currimbhoy.

CO-OPTED :

26. Sir Chunilal V. Mehta, K.C.S.I., C.I.E.
27. Sir Ibrahim Rahimtoola, K.C.S.I., C.I.E.
28. Mr. Kaikobad Cowasji Dinshaw Adenwalla.
29. Japan & Shanghai Silk Merchants' Association (Mr. Behram N. Karanjia).
30. Bombay Bullion Exchange, Ltd. (Mr. C. B. Mehta).
31. The Seeds Traders' Association (Mr. Ratilal M. Gandhi).
32. Bombay Shroff Association. (Mr. Hirachand Vanechand Desai).
33. The Sugar Merchants' Association (Mr. Jeevanji Currimjee).

EX-OFFICIO :

34. Mr. Vithaldas Kanji.
35. Mr. Velji Lakhamsi Nappoo.
36. Mr. Kapilram H. Vakil.
37. Mr. Manu Subedar.
38. Mr. Mansukhlal A. Master.

List of Journals and Periodicals received in the Library of the Indian Merchants' Chamber.

BI-ANNUAL.

*1 The Indian Cadet. (Journal of the Indian Mercantile Marine Training Ship 'Dufferin'.)

QUARTERLY.

1. Empire Cotton Growing Review.
2. British Exporters' Register.
*3. Hibberts Journal.
*4. Vishva Bharati.
5. Swedish Economic Review.
6. Journal of the Bengal National Chamber of Commerce.
7. Journal of the Aberdeen Chamber of Commerce.

MONTHLY.

*1. Nation's Business. (U.S.A.)
*2. Official Journal of the League of Nations.
3. Monthly Summary of the Proceedings of the League of Nations.
*4. Indian Textile Journal.

5. International Review of Agriculture.
6. International Concilliation.
7. Monthly Journal of the Liverpool Chamber of Commerce
8. Ditto Manchester Chamber of Commerce.
9. Ditto Bradford Chamber of Commerce.
10. Ditto Nottingham Chamber of Commerce.
11. Northamptonshire Journal of Commerce.
12. Monthly Report on Current Economic Conditions in Japan; issued by the Tokyo Chamber of Commerce.

*13. National Geographic Magazine.
14. Indian Insurance.
15. Commercial India.
16. Mercantile Guardian.
*17. International Labour Review.
*18. Indian Labour Review.
19. Bombay Labour Gazette.
20. Engineering Progress.
21. British Industries.
22. Monthly Seaborne Trade Returns of British India.
23. Monthlv Statistics of Cotton Spinning and Weaving in Indian Mills.
24. Statistics of Import and Export Trade in Cotton Yarn and Piecegoods of British India (Issued by the Bombay Millowners' Association.)
25. Statistics of Import and Export Trade in Cotton Yarn and Piecegoods of the Bombay Presidency excluding Sindh: (Issued by the Bombay Millowners' Association.)
*26. Modern Review.
*27. Asia.
28 Indian Hume Pipe News.

29. Indian Constructional Contractor.
*30. Young Messenger of India.
31. Volunteer.
32. American Exporter.
33. German Exporter.
34. Export and Import Review, Berlin.
35. Bendien's International Review.
36. Belgium Abroad.
*37. Bulletin of the International Management Institute.
38. Monthly Summary of the Foreign Commerce of the United States.
39. East and West Trade Developer.
40. Swedish Export.
41. Indian Concrete Journal.

BI-MONTHLY.

1. Yokohama Trade Review.
2. Agricultural Journal of India.

WEEKLY.

*1. Economist.
*2. Statist.
*3. Indian Finance.
*4. London Times Trade and Engineering Supplement.
*5. Manchester Guardian Commercial.
6. Board of Trade Journal.
7. Indian Trade Journal.
8. Commerce Reports (U.S.A.)
*9. Capital.
10. Calcutta Commercial Gazette.
*11. Industrial and Labour Information.

12. London Chamber of Commerce Journal.
*13. Property Market.
*14. Nation (U.S.A.).
15. New India.
*16. Young India.
*17. Bombay Market Reports.
18. Bombay Government Gazette.
*19. Gazette of India.

OCCASIONAL.

1. Legislative Assembly Debates.
2. Council of State Debates.
3. Bombay Legislative Council Debates.
4. Bengal Legislative Council Debates.
5. Burma Legislative Council Debates.
6. Central Provinces Legislative Council Debates.
7. The Punjab Legislative Council Debates.

GUJARATI PERIODICALS.

1. Sahitya.
2. Buddhi Prakash.
3. Jnan Prachar.
4. Jnnan Vardhak.
5. Khetivadi Vignan.
6. Bhagyodaya.
7. Vaidya Kalpataru.
8. Digambar Jain.
*9. Navjeevan. (Weekly).
*10. Saurashtra. (Weekly).
*11. The Gujarati.
12. Gujarati Punch.

* These periodicels are subscribed by the Chamber.

The 21st Ordinary Annual General Meeting of the Indian Merchants' Chamber was held at the office of the Chamber on Saturday the 26th January, 1929, at 2-30. p.m. (S.T.) under the Presidentship of Mr. Laxmidas Rowjee Tairsee to transact the following business.

1. To receive the Report of the retiring Executive Committee, and the audited Statement of Accounts for the year 1928.

2. To record the declaration of the result of the election of the Committee for the year 1929.

3. To appoint Auditors for the ensuing year.

The following members were present:—

Mr. L. R. Tairsee (President), Mr. Hooseinbhoy A. Lalji, M.L.C. (Vice President), Sir Purshotamdas Thakurdas, Kt,, Sheth Lalji Naranji, M.L.C., Messrs. Vithaldas Damodar Govindji, B.F. Madon, Jamnadas Harakhji Sanghvi, R.P. Masani, Vithaldas Kanji, Hiralal M. Desai, Ebrahim G. Currimbhoy, Kaikobad Cowasji Dinshaw, H.P. Mody, Manu Subedar, Hirachand Vanechand Desai, Chunilal B. Mehta, Kisondas Munmohandas Ramji, M. A. Master, Kapilram H. Vakil, Gopalji Ruttonsey, K. Rajidas D. T. Thadani, Vallabhdas Chaturbhuj Sivaji, Sakalchand G. Shah, K. C. Desai, Mathuradas Liladhar, Mulji Lakhmidas, Mathuradas Haribhai, A.B. Amin, S.G. Pandya, Nagindas T. Master, Goculdas Jivraj, M. A. J. Noble, Sarabhai Prataprai, Parmanand Kunverji Mulraj Cursondas, G. H. Lohana, Dayaram Sadhumal, D. Chaganlal, Morarji Hemraj, Vrindavan Valji, B. Lam, H. M. Chowna, D. C. Vakil, B. N. Karanjia, Ratilal M. Gandhi, B. K. S. Iyer, Vallabhdas Ranchoddas, Ishwardas Lakhmidas, Tulsidas Khimji, B. M. Madon, Keshavji Ramji Lakhmidas, Devidas Shamji, Baldevdas Dhansukhram, Ramchandra M. Bhat, C. B. Nanavati, J. J. Kapadia, Rao Saheb Harjivan Valji, the Secretary of the Bombay Glass Bangles Merchants Association Mr. J. K. Mehta, Secretary and A. H. Maru, Assistant Secretary.

Speech of Mr. Lakhmidas Rowjee Tairsee, President of the Indian Merchants' Chamber, at the Annual General Meeting of the Chamber held on Saturday, the 26th January 1929 :—

GENTLEMEN,

Last year when you were good enough to put me in the Chair, I thanked you for giving me an opportunity to be trained. Your re-electing me to the Chair this year indicates, in language of our school-days, that I must repeat the "Class". I hope to satisfy you better and pass out; at least I will try to. That being my feeling, I need hardly assure you that I consider the occupation of the Chair not so much an honour, as an opportunity for training, work and service, and considering the confidence you extended to me last year, it is hardly necessary to ask you to continue it.

WORK OF THE COMMITTEE DURING THE YEAR.

It gives me great pleasure to place before you, for your adoption, the twenty-first Annual Report of the working of your Committee. You will find from the Report that there were held 51 meetings of the Committee during the year under report, and 3 more meetings after the completion of our official year---in all 54 meetings—and thus 2 more than our weekly meetings. There were also held 92 meetings of the various Sub-Committees during the year and 6 more meetings after the completion of our official year, in all 98 meetings, through which passed many references for consideration and report to the Commmittee. The rcently issued handbook of the Manchester Chamberof Commerce contains an interesting article by its President, Mr. W. E. Thomspon, wherein he mentionsthatthe Board of Directors of the Manchester Chamber, which means the Committee, held nearly 300 meetings during the course of the year, both of the Board and its numerous sub-committees. When one takes into consideration that the Manchester Chamber has about 9,000 members and has a standing of more than a century and a quarter, and where the value of

organisation is well recognised and acted upon, you will agree with me when I say that your Committee may well congratulate themselves on the number of meetings held and the output of work that passed thorguh this channel..

THE ANNUAL SURVEY.

The constitution of our Chamber provides for holding of Quarterly Meetings, and thus members are kept in frequent touch with the work of the Committee, and at these meetings it is usual for the President to refer only to questions considered during the quarter. At the Annual Meetings, the practice is to take a survey of the year, not specifically with regard to either individual or different items but from the point of view of trade as a whole. Thus, while at Quarterly Meetings he deals with details which go to make the composite picture, at the Annual Meetings he is concerned with the picture itself, which thus gives a panoramic view of trade. In accordance with this practice, I will place before you a few outstanding questions which affect the trade of the country as a whole. This panoramic survey, of the year not if it is to be of any use, must only concern itself with the survey but refer to indications of the new one.

LABOUR SITUATION.

I was connected with the labour movement of Bombay in its initial stages, and hence I know what ails labour, and as such I can well realise that Labour is in frame of mind not dissimilar to what Sieyes said of the Third Estate (Tiers Etat), viz: that "It was tired of being nothing and wanted to be evrything." I have come in touch with capitalists and know that Capital, being possessed of everything, is afraid of losing something out of it, but because of this it does not mean that its motives are mean and vulgar. I can well see the claim to democratic control in industry follows logically and immediately upon the recognition of Humanity of Labour. As soon as we get out of our heads the idea that Labour is something that can be extracted from the labourer, from the man who possesses labour-power, it is at once

evident that all the arguments in favour of political democracy apply with the same force in the industrial sphere. But Labour, at the same time, must realise that Capital is not the fifth wheel of the industrial car, but petrol, the driving power, whithout which it cannot move. When this is realised and when Labour and Capital go together, I am sure what Mr. Cole speaks of as "depersonification" of industries will cease. "I see the time—however distant—when the **most individual** men will have to be the **most mutual.**"

Having told you what I think, in abstract, of Labour and Capital, I will descend to the reality of the situation as we find it to-day. When I say that to-day in India, and particularly in Bombay Labour and Capital stand as two armies as stood Pandavas and Kauravas at Kurukshetra, I am not exaggerating the situation, and the havoc they have brought about is, in the words His Excellency the Viceroy used when opening the annual session of the Federation of Indian Chambers of Commerce a Calcutta, "not difficult to picture to one's self when translated into privations of women and children, the ruin of family life, the arousing of passions which it is easier to set loose than to control".

Nobody denies to Labour the right to organise itself for legitimate purposes of collective bargaining and bettering of its wages and other conditions of work, but one cannot help condemning the **methods** used to obtain the purpose in view. When such an organisation, as at present in Bombay forgets its primary objects and functions and acts as "**Mavali let loose**", it is time to enquire "Quo Vadis Labour". You will remember when I last addressed you, I stated, and in fact congratulated, Labour on its good behaviour, but soon after in the beginning of January and subsequently things have happened to which any one who caresfor the prosperity and peace of the City cannot shut his eyes It is not necessary to exaggerate the danger, and because of this danger, and particularly the ways and means that have been used by Labour—and which, if unchecked, must ruin Indian industries—that both the Chambers of Commerce met together to bring this state of affairs and things to the attention of the

Government of Bombay; Before I proceed further I prefer to say that the rational movement for the amelioration of labour. conditions had and will continue to have out sympathy and also that of the country, and no better proof of this can be given than the testimony borne by those connected with the International Labour Conference, viz: that while several of the leading countries have failed to fulfil, both in letter and spirit, the terms of Conventions or recommendations of the International Labour Conference, India has ratified, in practically all cases, what her representatives committed themselves to at the said Conferences. This can be seen in the betterment of wages, housing conditions and other amenities of life to which Labour is entitled to. For Labour to ask for more is but natural, but there are ways and ways of asking for redress of grievances, and whatever may or may not be said of such ways, surely they are not the ones that can have the sympathy of any one, and must surely call for condemnation of all. The different manifestations of the Labour Movement in the country point to but one conclusion, viz: that Labour wants to be the boss of the situation and to oust Capital from its control of industries, a position which cannot be accepted both in the particular interests of industries, and in the general interests of the country. Our industries, as compared with the industries in other countries, are yet not in a flourishing condition. Nearly 75 percent of our people still find in agriculture their main occupation of life, and if the abysmal poverty of the people has to be removed, India must take the same path of industrialism as Western countries and Japan and, now China, have taken and are taking. That being so, the introduction, at this stage, of a cleavage between Capital and Labour, and appeals to class warfare are not to be thought of. It is no use indulging in unrealities and speak in academic terms of one's rights; we must face the realities and come to grips with the situation as it is. The very foundations of industries are threatened by methods which are, to say the least, fantastic and all those who have the interests of the country at heart must oppose any movement which is calculated to strike a blow at the very heart of industrialism. One can understand, when "Mavalism" is rampant in the streets of

industrial Bombay, the leaders of the Tammany Hall type—the Jethro Basses—keeping quiet and be thus presumed to sympathise with the doings of their followers, but one would like to know what leaders of the type of the Joshis, Boles, Syed Munavars and Ginwallas have to say about outrages and murderous methods. I would appeal to the labour leaders of a sober and rational bent of mind to use such influence as they still have to act before it is too late. I will also appeal to all industrialists and commercial magnates to put thier heads together and devise ways and means by which the industries of the country are carried on **on rational and national lines.**

To revert, you are aware that the cotton textile industry is our main industry, so much so that if Bombay is not **Cotton-opolis,** it is nothing. You are also aware that this, our premier industry is passing through a period of stress and distress, and the just and rightful claims of this industry for protection have been ignored by Government. As if this was not enogh we have labour crisis. Labour has succeeded in getting a Committee of Enquiry, at a loss and cost which I shudder to think, and this should be sufficient reason, if not equity, to wait for its decision, but we find that during the peiod this Enquiry must take, Labour is not acting **comme il faut,** and forces of disorder are rampant in the City. Labour, illiterate as it is, hardly understands that his state of the cotton textile industry is due to a great extent to the policy pursued by the Government with regard to the Currency and Exchange, and cannot be cured by protection of the trivial nature Government has deigned to give to the Industry. I am, however; glad to say that what was apparent to us all along, viz: the disastrous effects of the fixing of Exchange at 1sh. 6d. have come to be recognised by those who disagreed with us, and what we had foreseen, and which the apologists of Government and their spokesmen tried to ridicule, has come to be true. The depression in different lines of trade, the strikes, labour troubles, all what we expected to follow the Government's disastrous policy have come about, but Government so far, have done nothing to reconsider the situation. It is,

therefore, the more unfortunate, that His Excellency the Viceroy even now argues that the absence of any increase in imports from foreign countries even when the strikes was on suggests that the Bombay industry would not be assured of finding a salvation by raising prices for the consumers through protective duties, and tht the remedy must be sought elsewhere. It will be found on compariosn of the figures to which His Excellency referred that if you take the yardage of cloth imported the difference between the last year's figures and this year's figures is not large. The fall in value was partly a result of the Exchange policy pursued by Government, which was also responsible for curtailing the purchasing power of the people. One cannot eat the cake and keep it. The shortsighted policy followed by some British manufacturers who were in favour of Government's adoption. of the 18d. ratio has led, as it was bound to, to a curtailment in the purchasing power of the people, and I, for my part, am amazed to see that this very fact should now be claimed as an argument to prove that protection is not wanted for our staple industry. In this connection, it is forgotten that it takes a pretty long time for getting goods from foreign countries on indents, even supposing that orders are placed as soon as the strike commences. Mr. H. P. Mody well pointed out in his reply to His Excellency's argument that the mill strike could be unlikely to have any material effect on the imports for 3, to 4 months after the strike commences owing to the large stock held in Bombay, a period which will have to lapse before indented supplies could be obtained from abroad. He showed that for the 4 months August-September-October-November, 1928, imports into Bombay City were 207 million yards against a total of 180 million yards in 1927, an increase of 27 million yards or about 15 per cent. Similarly the All-India figures also show a tangible increases. It is usual for Government spokesmen to urge that if the cotton mill industry develops its markets there would hardly be any need for protection, and His Excellency the Viceroy in his speech referred to above, also uses the same plea. The Trade Mission has pointed out recently that the importance of the export markets is, after all, very little when compared with the

Home (Indian) markets. The experience of other countries which have developed their textile industry also points to quite a different policy. Italy, Brazil, China, Roumania, Egypt and South Africa have been busy devising means of effective protection during the last few years, and His Highness the Aga Khan, on his arrival in India the other day, called special attention to the plight of the Bombay Mill Industry and emphasised the need for high protective duties. The protectionist policy of the Government of India appears to me to be somewhat on the following lines:—Infantile industries do not deserve protection because they are infantile, on the plea that it is a period during which mortality figure must be high, the adult industries do not require protection because they are neither infants nor old; and the old industries do not require protection because the old must die and give place to the new. Unless the Government of India rises to the situation, and shows a long-sighted statesmanship, of which, so far, we had had no indication, the cotton textile industry will have to go the way of Dinorsaurus and other animals of the past ages into oblivion, and future historians and archæologists may find the chimneys scattered about Bombay interesting relics for enquiry and speculation, and, perhaps, may mistake them for monuments raised to the memory of the protective policy of the Government of India towards indigenous industries. That being the situation, of the cotton textile industry, and Labour being in its present mood, it led to the query: "What is to be done?", and with it, it led to the Committees of the Bombay Chamber of Commerce and our Chamber taking a joint deputation to His Excellency the Governor to draw his attention as the Head of the Presidency, to the situation as it struck them, As most of you have seen the address presented by both the Chambers of Commerce, I will not refer to it **in extenso,** but only to the most salient parts, which referred to the state of affairs as it then existed which since then has been accentuated in the mill area of Bombay, and which indicated an atmosphere of terrorism, and as a result of which how respect for Law ond Order had lost its hold in that part of the City. The Memorandum stressed the object of the deputation which was

"to draw His Excellency's attention to a question of vital importance to this City, and the Presidency as a whole, and which. in their opinion, unless immediate steps were taken, threatened to be still worse." The Memorandum further pointed out that "the trouble which we se in the textile industry of Bombay is but **External Symptoms of the root cause, which,** in the opinion of both the Chambers, **was due to the Hardship inflicted on the Textile Industry in Common with others, through the Exchange and Currency Policy of the Government of India,** who refused to give effect to the modest recommendations of the Tariff Board's Report submitted after exhaustive enquiry", and, what is more important, both the Chambers strongly expressed their opinion that "dealing with symptoms can be but palliative", and requested the Government of Bombay through His Excellency the Governor, "to impress on the Government of India the urgent need of serious reconsideration of their policy regarding industries in this country as a whole". May I be permitted to go further than this Memorandum, and suggest, now that the finances of the Government of India are in charge of a new Member who may be expected to bring a fresh eye to the policy of Government, that the Government reconsider their Exchange policy. The effects of the bankrupt Currency policy of Sir Basil Blackett are writ large on the industries of India, and if any further indication was wanting, it is furnished by the Sterling Loan recently floated by Government in England, at terms which compare unfavourably with the loans raised by Dominions, and even the smallest Municipalities of England.

In this connection, it is interesting to note that Sir Basil Blackett himself when examined by the Royal Commission on Currency and Exchange expressed in strong terms the deleterious effects which would result from raising the Exchange to 1sh. 8d. from 1sh. 6d.

> "It means from the point of view of the debtor that his existing money debt becomes a larger one in terms of commodities. It means in the case of the creditor that his credit is worth more in terms of commodities than it was

before. From the point of view of the wage-earner it is equivalent to an increase in real wages by means that are not as obvious either to him or to employer as perhaps a direct increase would be. It would probably lead—almost certainly at the present time in view of the recent fall in Indian prices—it would lead to a considerable pressure in some industries, to an actual reduction in wages and possibly a strike. On the other hand it would mean that all those on fixed salaries or those who received customary wages—a great many wage-earners—would be better off in terms of real wages. Its effect, I think, would be worse on the Indian industrialist who is in competition with foreign imports, particularly such industries as the steel industry and the engineering industries generally, which are comparatively a new feature in India, and on the cotton mill indsutry. It would probably mean a considerable increase in the demand for protection already given and in our protective tariffs—though the effect, of course, would be presumably only temporary, and you may assume that within a comparatively short period of time most of the readjustments would take place; but there are some which take a long time, such as, for example the rates for postage stamps or railway fares. They are not always brought down or brought up very quickly following on a change of this sort. Then there is the land revenue. There, of course, one really wants to take a very long view because it changes very slowly. A settlement is made usually once in thirty years, leaving out the permanent settlments; and in that case you have had such big changes in the last 11 or 12 years that one change more, as the effect of 1sh. 8d., for example, would still leave the land revenue payer relatively better off than in 1914 because prices have gone up to such an extent that he has been paying a less amount of commodities; the land revenue has been worth less in terms of commodities in most cases, than was intended at the time of the settlement. It would take thirty years for the land revenue to be readjusted generally throughout India."

DIVERSION OF TRADE FROM BOMBAY.

In this connection, I will like to refer to a question to which your Committee for the full period of last year gave their attention and consideration, *viz*, the diversion of Trade from Bombay, and the costliness of Bombay. As most of your know, we have made a representation to the Government of Bombay asking for a Committee of investigation. I am glad the Bombay Municipal Corporation has accepted my motion to approach the Government. I trust and hope that the Committee asked by the Municipal Corporation, the Bombay Port Trust, the Bombay Chamber of Commerce, and ourselves will be appointed. Here, same as regards the labour problem, we must face realities and find a solution. Arguments based upon sentiment should have no place with us, nor there can be any room for philanthropic sympathy for other ports based on the fact that our forefathers came from that part of country. Unless such an Enquiry is held and ways and means adopted, Bombay, as the clearing house for Imports and Exports, must lose ground and be reduced to, what it was once, fisherman's haven, and suburb of India, and well may the new Hornby Ballard Road continue deserted as at present, except as an outlet to the Ballard Pier.

COASTAL TRAFFIC RESERVATION BILL.

I shall now deal with a problem which has assumed all-India importance owing to the reference of the Coastal Traffic Reservation Bill to a Select Committee of the Assembly. It has been bitterly attacked by non-Indian vested interests and we should therefore as the representatives of the Indian Trade and Industries examine some of the arguments advanced by the opponents of the Bill. It deeply pained your Committee that His Excellency the Viceroy, made the following reference to this Bill in his speech before the Associated Chambers of Commerce:—

> "I am not one of those who see in such discrimination any possible solution of the problems which now beset Indias' growth for the interests of all communities which

comprise the population of India are far too intermingled to allow of separatist treatment nor am I in favour of speeding up the development of Indian enterprise by the heroic, I might even say, dangerous methods advocated in the Bill."

Your Committee sent a telegram to His Excellency the Viceroy expressing their regret that he as the head of the Government of India should have pronounced any opinion even in an indirect manner on the merits or otherwise of the Bill which he would have to consider later on in his official capacity.

There are, however, two or three statements made in His Excellency's speech before the Associated Chambers and before the Federation of Indian Chambers of Commerce which are likely to create unnecessary prejudice against the Bill now before the Select Committee and I therefore propose to examine them at this meeting. His Excellency observed :—

"It is not infrequently said that there is a precedent for the Bill in other parts of the Empire and that Australia in particular has reserved her Coastung Trade in the manner that is now proposed for India."

I am fraid the implication underlying the above observation is likely to create misunderstanding about the real object of the measure. It is true that Australia has been quoted as a country in the British Empire which has reserved its Coastal Trade, but no one has stated that the Coastal Traffic Reservation Bill now before the Assembly is framed in the same manner and on the same lines as the particular legislation adopted by Australia for reserving her own coastal trade. The point, however, that requires emphasis is that the aim and object both of Australia and India is the same, *viz*: the development of national shipping, but the methods adopted are, from the very nature of things, different. Australia attempted to achieve the end by laying stress upon the payment of the Australian scale of wages, while the Indian Bill lays stress upon the predominance of Indiain capital in the ownership of the Coastal Shipping. That the policy of Australia was

to reserve the Australian Coastal Trade for Australian owned ships, and thus to develop the Australian Mercantile Marine has never been questioned before. His Majesty King George the Fifth appointed a Royal Commission in 1923 to report in the working of the Australian Navigation Act. That Commission summarised the whole policy of Australian Shipping in regard to its Coastal Trade in the following words :—

> " To build up an Australian Mercantile Marine it was necessary to extend the protective policy of Australia to its merchant shipping. To protect the Australian shipowners from unfair competition from subsidized foreign ships or poorly paid crews from other countries it was necessary to prevent other vessels competing against him unless such vessels complied with Australian rates of wages, provided the same accommodation for their seamen and had the same manning scale. In short to treat all nations alike, and yet to protect our own Coastal shipping."
>
> " Parliament recognised that, as an island continent, we are largely dependent upon the strength of our merchant shipping for our communications. The Australian Coastal Trade was to be reserved for Australian owned ships, which were to be the source of a supply of skilled and trained Australian seamen in time of war, even as the British Mercantile Marine, during the recent war, helped to man the Auxiliary cruisers, mine-sweepers, transports, and other adjuncts of the British Navy."
>
> " Your Commissioners find that the main reason which actuated the Parliament in placing the Act upon the Statue Book, and which lifted the subject to a plane of great national importance above the ordinary considerations of a party politics, was the desire to build up an Australian Mercantile Marine."

Gentlemen, I want you to mark the words "the Australian Coastal trade was to be reserved for Australian owned ships", and not British owned ships, and that the policy was "to build

up an Australian Mercantile Marine" and not a British Mercantile Marine. In the face of this authoritative enunciation of the principles and policy underlying the Australian Navigation Act by the Royal Commission appointed by King George V. himself, I do not think there would be any question now from any quarter that Australia did not want to reserve the Australian Coastal Trade for Australian owned ships, and thus develop an Australian Mercantile Marine.

Another observation made by His Excellency which is also likely to prejudge and prejudice the Bill before the country and the Assembly is this :—

> " There is indeed no precedent in the British Empire nor so far as I know in any other country or Empire for legislation which would reserve the Coastal Trade for anyone class or race of citizen. "

Such a statement, is, I venture to remark, with all due deference to His Excellency, contrary to the well-known facts of the economic history not only of the most important maritime countries of the world but even of Great Britain itself.

In 1907, the Board of Trade in its memorandum upon the Commonwealth Navigation Bill made the following observations :—

> " The Resolution passed by that Conference (of representatives from the United Kigdom, Australia and New Zealand), may be said to establish two main principles :—
>
> 1. That ships registered in Australia and New Zealand and ships engaged in the coasting trade of those dominions should be governed by laws made by the Australian and New Zealand Parliaments ;
>
> The first principle implies that within the limits mentioned Australian and New Zealand shipping legislation will not be subject to review on the ground that it is at variance with the Imperial Merchant Shipping Acts, and

full responsibility for such legislation rests with the Dominions."

The principle that every dominion had the right to regulate its own coastal trade was further enunciated and confirmed by Lord Elgin in one of his despatches in 1907 in the following significant words :

"At the Conference His Majesty's Government recognised and they desire to put the view on record in the most formal manner possible that every Dominion has the full right and power to regulate, not only vessels registered in that possession but also vessels engaged in the coasting trade of that possession so long as they are engaged in that trade."

Further, it is a matter of common knowledge that the United States of America, France, Russia; Belgium, Japan, Turkey Greece, Chilie and Peru have reserved their coastal trade to their own nationals. Even Great Britain itself had its own Navigation Laws over 200 years which not only enabled it to develop its own Mercantile Marine but largely helped it in regaining its supremacy at sea. In view of these historical facts, it is difficult for us to comprehend on what authority His Excellency was led to make the statement referred to above.

The Bill has also been attacked on the ground that it is of an expropriatory character. I cannot do better than quote the following remarks from the speech of Sir Purshotamdas Thakurdas as President of the Federation of Indian Chambers of Commerce which effectually answer the charge of so-called expropriation :—

" They (the British Commercial interests) should recognise however, that Indians have the same right to a predominant share in the Commerce and Industries, of their country as other nations have in their countries, and should not misinterpret the attempt to obtain it as an attack upon the British interests in India. One sometimes hears of claims to a stake in the country computed in terms of amount

of British capital invested. I cannot help thinking tha arguments against our national aspirations based on suc. claims are derogatory to the high claim on which the relations between Britain and India should always rest, otherwise it is not difficult to argue on the other side that even in terms of money Britain has recovered from this country much more than the amount of British capital invested in India, and that after all the stake of Indian Merchants in India is very consi derably larger, in fact many thousand times larger."

In connection with this cry of expropriation raised by British Shipping interests, it is interesting to note the statement made by the "Statesman" of Calcutta that, India is being ruled by the British people and power will be transferred to Indian hands only to the extent that the British vested interests in India agree I am sure, that such a statement of view does not command sympathy from right-minded Britishers, and expresses the feelings of only, what we may call, of the kidney of Langford James the die-hards. Even then, it is an index to the feelings prevalent in certain quarters. To such I want to say that interests of India, no matter by whom governed, must be our first consideration.

Again, to refute the fallacy underlying His Excellency's pronouncement that it was the training of the personnel, which he considered, fundamental to the whole matter, I cannot do better than place before you the considered opinion of the Indian Mercantile Marine Committee which went fully into the matter and whose opinion ought to carry great weight:—

"This being so, it is our considered opinion that the provisions of facilities for the Training of Indian Officers and Engineers is not sufficient to meet the requirements of the case and that some further steps are required to achieve the object in view. These further steps we recommend should be in the form of the eventual reservation of the Indian

Coasting Trade for ships the ownership and controllin interests in which are predominently Indian."

It will thus be seen that the fundamental question of the development of a National Mercantile Marine lies not so much in the personnel as in ownership. Such being the case, it is no wonder that no country in the world has legislated for Coastal Reservation with regard to the personnel alone without simultaneously legislating for personnel along with ownership also. I need not remind you, Gentlemen, that Turkey, Greece, Russia, Chilie and Peru which during the last few years reserved their coastal trade to their nationals by means of legislative enactments recognised national control as essential as national manning.

With reference to the observation that the profits of the Coastal Trade appears to give only a moderate return on the capital invested, I may point out to you that Mr. G. D. Birla, speaking in the Legislative Assembly on the motion to refer the Bill to a Select Committee remarked that "the ordinary capital of the British India Steam Navigation Company was £9,57,000 and that from 1901 to 1923 the total profits which it made amounted to £51,71,000 or approximately 22 per cent. per annum." I have gone a little bit closely into the question as it appears to affect the issue very much, and as our British friends, who have been philanthropic enough to put their capital into coastal shipping for our benefit, advise us to sink our capital in other remunerative trades. For ten years and a half from the 28th February 1902 to the 30th September 1914 (accounts from 1905—07 not available) the profits made by the British India Steam Navigation Company were as under :—

Divisible profits	.. £8,67,849
Insurance fund created before arriving at profits	.. £7,20,294
Reserve fund created before arriving at profits..	.. £3,50,000
Depreciation at 5% on the cost of fleet shown in the books before arriving at profits	.. £17,67,921
Total..	.. £37,06,064

Deducting dividend at 5% on Preference shares of £7,00,000 .. .. £3,85,000

Therefore profits earned on ordinary capital invested in the Company £33,21,064

Theordinary capital invested for the first two years was £7,00,000 and for the balance of the period was £9,57,000. Therefore the average return of profits without depreciation earned on ordinary capital invested in the Company comes to 33 per cent. per annum." Surely this is not a very moderate return as His Excellency wants us to believe. Not only this,but that Company has taken to depreciation much higher amounts than what are apparently provided for under the usual 5% Clause. It appears from a prospectus issued by the B. I. S. N. Co., Ltd. and filed by them with the Registrar of Joint Stock Companies in the beginning of 1927 and from the comments of the "Fairplay" a weekly Shipping Journal in its issue of 3rd February 1927 that in 8.1/3 years nearly £10 million over and above the usual 5% depreciation were written off by that Company before arriving at profits. In other words the Company provided before striking its profits during that period every year nearly Rs. 1,75,00,000 for depreciation in addition to the usual provision for depreciation at 5%. This is no doubt a significant commentary on the plea of moderate return on capital invested in the trade.

The following authoritative statement by the same Company in the prospectus filed by them with the Registrar of Joint Stock Companies in 1927 completely destroys the theory of th so-called moderate return on its capital:

> "**The Company's profits.** During the past 67 years the Company has never paid less than 7½%, per annum free of Income-tax, on its ordinary shares, and during the last 5 years the Company has paid 8 percent per annum free of Income-tax on its ordinary shares.

"It has been the policy of the Directors before arriving at profits or distributing Dividends to write down drastically the value of the fleet and to provide for contingencies. "The profits of the Company for many years past have been sufficient to cover th sum required for the dividend on the Preference shares now offered and the existing Preference Stock several times over."

In view of the great national importance of the CoastalTraffic Bill now before the Assembly, I have considered it my duty on behalf of the Chamber which represents large commercial and industrial interests in this country, to deal with this question at some length in view of the opposition of the vested interests and specially of one in such high authority and position as the Viceroy and I have tried to place before my countrymen the facts as they stand, in the hope that they will put forth strenuous efforts to see that the Bill is placed on the Statute Book in the forthcoming Sessions of the Assembly.

BANKING.

You must have seen from the Proceedings of the Annual Meeting of the Federation of Indian Chambers of Commerce that there was a Resolution with regard to a Banking Enquiry for which demands have of and on been made since the last several years, and the necessity for which has been recognised even by Currency Commissions and Committees. The Hon'ble Sir George Schuster, the new Finance Member, welcomed the resolution and promised to give it his consideration, the first indications of which are seen in the invitations to the representatives of both the Federation of Indian Chambers of Commerce and the British Associated Chambers of Commerce to meet the Finance Member at a Joint Conference to consider the question. My I suggest, in this connection, that before a new Commission or Committee is appointed there should be a preliminary survey undertaken to collect relevant facts and figures in onnection with Banking in the country so as to provide for the basis of the said Enquiry? Without such facts and figures, it is impossible to hold an En-

quiry with any benefit, and hence I commend this matter to the attention of the Finance Member.

COMMERCIAL EXAMINATIONS.

You know, Gentlemen, that for the last two years we are conducting Commercial Examinations and are giving Diplomass and Certificates of Competency to students. These Examinations have been appreciated everywhere and have attracted student from different parts of the country. The average number of students at each of the last two Examinations was about a hundred, and we expect a bigger number at our forthcoming April Examinations. The number of Educational Institutions affiliated to this Chamber for the purposes of these Examinations is about 40—Institutions which are located at different principal centres in the country. The main object of your Chamber in instituting these Examinations was to encourage Commercial Education, specially suited to Indian conditions, and give to students of commercial education the advantage of appearing at Examinations conducted by indigenous Institutions rather than by those which happen to be thousands of miles away. I hope, therefore, that our businessmen will give preference in their employment to students who have got Diplomas and Certificates from this Chamber.

APPRECIATION OF STAFF.

I do not desire to be charged with a sense of unfairness, a charge which will be justified if I did not mention the services, of the staff of our Chamber who have loyally co-operated in the work, and before I close I pay my tribute to my "TEACHER" Mr. Jaisukhlal Mehta. You will remember I had made a suggestion, which I hereby repeat, that some of the students, if they would serve as apprentices here, will learn more than what they would otherwise from books. Should such apprentices be coming forward they can have no better guide than our Secretary, who, as you know, bring to his position his love for the work and it is that which keeps him at the post inspite of alluring attractions out-

side. I am also glad to say that in his Assistant, Mr. Maru, we have an young rising man, and I will prefer that he should continue with us, but I would very much like that he finds an opening outside as others have from this Chamber and who are in charge of Chambers outside the City. Of course, I know the prospects of service with us are limited, and while no doubt we give increases such as our finances permit, I am convinced that most of the Staff continue here for the love of the Institution and for the love of work which they believe tends to the betterment of the country, and that is why the fidelity which keeps them working more than for what salaries they draw.

CONCLUSIONS.

Before I close, I desire to say that I have realised more than ever before—and Justice Ranade incessantly said that economic serfdom is worse than political slavery—that economics are the key to politics, and for men who live under servile industrial order, it is not possible to make good citizens, but be nothing more than servile in political sphere. It is by attaining Swaraj in economic system that we can hope to change our present position of being exiles at Home and chattels abroad.

With these words, Gentlemen, I place before you the Twenty-first Annual Report of your Committee, for your adoption.

Speech of Mr. Hoosseinbhoy A. Lalji, M.L.C., Vice-President of the Indian Merchants' Chamber at the Annual General Meeting of the Chamber held on 26th January 1929.

Mr. President and Gentlemen,

I rise to second the proposal put forward by the President for the adoption of the Report of the Committee of the Indian Merchants' Chamber for the year 1928. While doing so, I must

e xpress my deep thanks to you for your re-electing me as Vice-President for the coming year, which I consider an honour, and with regard to which, I hope, I shall be able to justify your choice. The President has in his speech covered so much ground that but little remains for me to say. I should like, however, to draw your attention to some questions relating to the procedure of income-tax. Whenever any complaints are raised with regard to income-tax, the reply commonly given is that all such complaints are due to the proclivity of the human mind not to pay any taxation. The particular manner, however, in which the Income Tax Act is being worked presses heavily on the business community and causes them a good deal of annoyance and trouble which may well be spared. It is not that businessmen are averse to pay the tax when it falls due or the amount which becomes due, but they certainly object to the harrassments which are needlessly joined to tax-gathering.

It is an old old cry of the business community that the income tax assessees should be allowed to set off their losses against their income for a period of three years, as under the present arrangement losses can be set off against the income only for one year. All those who are in touch with our business methods and practice know very well that it is difficult, if not impossible, to show the losses in the year in which they had actually and practically accrued. Thus if A has financed say Rs. 10,000 to B and finds that B is not able to repay the amount, A cannot still write if off, as he naturally has a hope that B will pay it up some time or other. The income tax authorities will set off this 10,000 against his income only if he writes it off. If he writes is off, however, B will not pay, nor perhaps will be legally obliged to pay. Suppose next year the merchant has suffered a loss on the whole average of the year. If he now writes off his outstandings against B it will not benefit him at all, as, having suffered a loss, he is not liable to pay income-tax. The third year however he may make a profit and he will be liable to pay income tax and not allowed to deduct either the previous year's losses or the amount of Rs. 100,000 which he has as his due from B and which he had to write off, B having failed to pay.

On account of all circumstances the Indian Industrial& Com mercial Congress suggested at their fifth session at Madras in December 1927 that the Income Tax Law should be so amended that Income tax may be assessed not on the assessable income made in one year, but on the annual average of income made during a period of three years. In December 1928 the Federation of Indian Chambers at their annual meeting went further and claimed that assessees should be entitled as in England to carry forward for an adopted period of six years losses in business sus• tained in any year as set off against the profits of such subsequent years.

It is provided that if a return is made the Income taxs officers have powers to call for accounts whenever they cosider it necessary for the purpose of testing the accuracy of the returns. This rule is also made to work harshly upon the assessees. Instructions, theoritically of course, are given to the Income Tax Officers not to give any insonvenience to the assessees, but in practice it happens that for very flimsy reasons assessees are called upon again to show their books to the income tax authori- ties.

There is then the compliant with regard to which your Com- mittee have also moved, that income tax authorities are con- ducting all sorts of fishing inquiries with regard to deposits with our Indian pedhis and shroffs so that they can charge income- tax to the parties in whose names appear as depositors in their books. Such a practice is not admissible at all under the income tax rules and yet the procedure is followed in several cases. The injustice and unfairness of the affair are that while banks and European companies are practically free from this sort of action on the part of the Income tax authorities, it is our Indian pedhi and shroffs who are subject to it with the result that whatever little banking business our Indian firms have got at present will go out of their hands.

The President has referred to the diversion of trade from Bom- bay and the depression generally prevalent in the city and outside. The depression has been due not only to the financial

and exchange policy of the Government of India but also to what is known as the Meston settlement under which our progressive sources of revenue were alloted to the Government of India and the provinces were left with sources of revenue which were either practically stationery or even showed signs of decrease. Not only this, but the contributions, which have now happily ceased, from Bombay were particularly unfair as the Provinces was contributing indirectly to the Imperial Revenues very much more than the other provinces in the shape of customs duties and still more in the shape of income taxes.

Bombay is pre-eminently an industrial province and to drain away its resources wihtout giving it back anything in return is to strike a blow at any capacity for development it may possess. The very fact that even a department like the Department of Industries is left to starve on a miserable pittance of about Rs. one lac a year, as against the splendid amount of even Rs. 15 lakhs per annum voted by the Punjab Government for its department of industries, is significient to show that Bombay with her financial condition consequent to a large extent upon the recommendations of the Meston Committee is not abie to devote the necessary funds to education and industries.

Talking of the Department of Industries reminds me of the fact that even now the Government of Bombay have not thought it fit to place in the charge of the Director of Industries, the Department of Factories and Boilers, the Labour Department, the Technical Education Department and the Purchase of Stores. Sometime back a Committee was appointed to report on the working of the Department of Industries and our Colleagues Sir Munmohandas Ramji and Mr. Lalji Naranji wrote a very strong minute pressing for transferring all these departments to the charge of the Director of Industries. It is a significant fact that these departments formed part of the Department of Industries when an English Civilian was in charge of the same, but after the appointment of an Indian Director, it has been thought fit not to give these departments in his charge. Is it apprehended that Indians who are able enough to look after the highest posts

available to them under the Crown will not be able to look after these departments or is it that the English Factories Inspectors will not like to serve under an Indian Director of Industries ? Or is it due to the fact that the Government of Bombay have not been able to appoint a single minister in charge of this important department who can understand anything about our industries and realise to what an extent our country is made dependent upon foreign industries while our own intelligent people are unemployed and starving and consequently looking out for Government employment ? It is interesting to note that even when Sir Chunilal V. Mehta was appointed minister, he was given the portfolio of Forest & Excise and the portfolio of industries was given to an academic gentleman, because of the fear perhaps that an industrialist appointed in charge of the Department of Industries would really strive to develop the industries which is not the object which the Government have in view in keeping up this department. I shall only give a few instances as to how inactive the Department of Industries has been and I would leave you to consider whether it does not appear as if it is kept only for the sake of show lest the Government of Bombay may appear to be the only re-actionary Government in the whole country. In so far as our main industry is concerned—I refer to the Textile Industry—the Director of Industries has no adequate staff even to enable him to publish true facts relating to the industry. So far as the Match Industry is concerned, the Tariff Board has made many important suggestions. The most important of them are that a watch may be kept on the activities of the Foreign Syndicate and that Government should attempt to provide wood required for its manufacture. So far as the Bombay Government is concerned, nothing seems to have been done in the matter, and the activities of the foreign Syndicate are going on and they are attempting to take away all the available wood not only in this Presidency but also in the Central Provinces which is so near Bombay. So far as the Government of India are cincerned, the only thing they seem to have done is that they have been moving in the direction of revising the income tax paid by Indian

factories and trying to get as much as possible before the Industry succumbs to the activities of the foreign Syndicate. The G. I. P. Railway, a State Railway, is giving the foreign Syndicate all sorts of concessions and it only requires one to examine the return of concession that are published every now and then to be convinced to what an extent they are being allowed concessions; and this Railway Company wants the Bombay Municipality to supply water at a concession rate, on the plea that it is a Government concern. As regards the tanning industry, this industry exists chiefly in Bombay and Madras. Since the last seven years attempts are being made to dislodge them from Dharavi at a time when the Industry is under heavy depression.

Nothing seems to have been done to help small industries like Oil and Soap-making, the biscuit and peppermint making, brush and furniture making, etc., but on the other hand attempts are being made to get them out of Bombay as they are considered a nuisance in the beautiful city of Bombay! I have every hope that if adequate staff and adequate funds are allotted, the present Director of Industries can certainly improve matters, as he himself is an industrialist and a commercial man.

One important fact I wish to bring to your notice is that the Port Trust, a semi Government Body, seems to me to look to the Hedjaz traffic with indifferent eyes. Let me point out that annually 15 to 20 thousands Hajis are passing through Bombay to Jeddah and back from Jeddah. Their stay in the city is two to three weeks and I estimate every Haj spending about Rs. 100 for his necessities of life in Bombay and for his tour. Bombay traders thus gaining about 40 lakhs of rupees. While I do not at all grudge the Port Trust spending sums after the comforts of European travellers to India, I feel something for the Hajis is also necessary in the interest of the Port. I also wish to point out that if Hajis are not treated well not only will this traffic be lost to Bombay but the other Ports like Karachi and Calcutta which are doing their level best to take way this traffic will be able to take away the whole of our grain shipments to Red Sea and Arabian Ports because of the fact that the Haj carrying steamers

carry during Haj season grain and other cargo at consider ably cheaper rates than the ordinary cargo steamers. It is often during the five to six months of Haj season that most of our grain, seeds and piecegoods shipments are being made to Red Sea and Arabian Ports.

Before I conclude I should also like to lay stress upon one particular question which is the export duty on hides and skin. You know that some two years back there was a great agitation for the removal of this duty which is now 5% against 15% which was the duty in war time. The duty was levied then as Government wanted tanned hides and skins for the use of the Indian army and it gave a great impetus to the tanning industry in India. Unfortunately as soon as the War was over such a necessity was no longer felt and Government are again allowing raw hides and skin to be carried away to foreign countries like Germany and the United States of America, and the tanning industry has again been showing signs of depression. There is now a small duty of 5% left on the export of hides and skins and the agitation is to get it removed and to make the exports of hides and skins free so that foreign countries can take away our hides and skins and kill the Indian tanning industry which is likely to become one of our most important industries. I hope that representatives of popular opinion in the Assembly will not countenance any attempt which may be made to get this export duty removed and that Government also will not encourage such an attempt in the interests of theIndian tanning industry.

With these words, I second the proposition for the adoption of the Report.

REPORT OF THE COMMITTEE
OF
THE INDIAN MERCHANTS' CHAMBER

for the year 1928 *presented to the*
Annual General Meeting
of the Chamber held on
26th January 1929.

Your Committee have pleasure in presenting the Twenty-first Annual Report of your Chamber. During the course of the year 51 meetings were held, the work done being of a varied and important nature.

The principal subjects dealt with by your Committee related to the following main heads :—

(1) Railways and Shipping, (2) Finance, Tariffs and Taxation, (3) Trade and Industrial Legislation, (4) Government Stores Purchase Policy, (5) General Trade and Industry, and (6) General.

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(1) RAILWAYS AND SHIPPING.

(a) Railways:—

1. Mileage coupon tickets to commercial travellers on the B. B. & C. I. and the Jodhpur Railways:—

At the instance of the Buyers and Shippers Chamber Karachi, the Committee addressed the B. B. & C. I. Railway and the Jodhpur Railway requesting them to introduce the 1st and 2nd class concession tickets scheme for the commercial travellers. The Jodhpur Railway in reply informed them that they had decided to adopt the 1st class coupon ticket scheme. The Committee again requested the Jodhpur Railway to extend that scheme for 2nd class travellers also, so as to enable the Indian commercial community to take full advantage of the scheme.

The B. B. & C. I. Railway have not yet seen their way to adopt the same.

2. Proposal to increase the season ticket fares by the B. B. & C. I. and the G. I. P. Railways:—

Sir Purshotamdas Thakurdas, Kt., C.I.E., M.B.E., M.L.A., the Chamber's representative on the Local Advisory Committee of the B. B. & C.I. Railway informed the Committee that at a Joint Meeting of the Local Advisory Committees held on 25th January 1928, the proposals of the B. B. & C. I. and the G. I. P. Railways regarding the increasing of the fares for the suburban season tickets were strongly opposed and ultimately the authorities agreed not to increase the same.

3. Chamber's representation on the G. I. P. Railway Local Advisory Committee:—

The term of the old Local Advisory Committee of the G. I. P. Railway having expired, a new Advisory Committee

was formed. The Committee, being requested to nominate their representative on it, re-nominated the Hon'ble Sir Phiroze C. Sethna, Kt., O. B. E., as their representative on the newly formed local Advisory Committee.

4. Chamber's representation on the Commercial Panel of the Railway Rates Advisory Committee:—

The Committee were asked by the Railway Board to nominate 5 representatives on the Commercial Panel of the Railway Rates Advisory Committee for a period of one year from 15th November 1928. They thereupon renominated the following gentlemen as their representatives on the same :—

1. Sir Purshotamdas Thakurdas, Kt., C.I.E., M.B.E., M.L.A.
2. The Hon'ble Sir Munmohundas Ramji, Kt.
3. The Hon'ble Sir Phiroze C. Sethna, Kt., O.B.E.
4. Mr. Manu Subedar,
   and
5. Mr. Kapilram H. Vakil.

5. Acceleration of Bombay-Madras Mail Service (vide Chamber's Report for 1927 p. 122.)

In regard to the acceleration of Bombay-Madras Mail Service, the Committee were informed by the Hon'ble Sir Phiroze C. Sethna, the representative of the Chamber on the G. I. P. Railway Local Advisory Committee, that the G. I. P. Railway authorities were not able to give effect to any change as anticipated in April last because at that time the larger locomotives had not arrived. They had now arrived but the trouble was that the bridges between Raichur and Madras were not sufficiently strong for the heavier weight. Until the bridges were sufficiently strengthened it was feared that the Railway authorities could not possibly accelerate their Bombay-Madras Mail Service.

6. Representation of Indian Commercial Community on the M. & S. M. Railway Branch Advisory Committee at Hubli:—

The attention of the Committee was drawn by a member to the fact that the Indian commercial community was not represented on the Branch Advisory Committee of the Madras and Southern Maharatta Railway at Hubli. They thereupon wrote to the Government of Bombay to frame rules for such representation as Hubli was an important commercial town in the Bombay Presidency through which the Railway pass. The matter is still under correspondence.

7. Railway freight on ears-of-Maka (Maize):—

The attention of the Committee was drawn by one member to the full rate of freight charged by the G.I.P. Railway for ars of Maka brought by vegetable merchants from Deola li to Bombay. It was argued that ears of maka were nothing but a perishable vegetable and there was no reason why the G.I.P. Railway should not charge half the rate of freight for the same as in the case of vegetable and fruits. The Honourable Sir Phiroze C. Sethna the representative of the Chamber on the Local Advisory Committee of the G.I.P. Railway, was thereupon requested to take up the matter there.

8. Ahmedabad-Sind Mail:—

A complaint was received from one gentleman from Karachi that the B. B. & C. I. Railway had recently discontinued to run the Ahmedabad-Sind Mail. Passengers coming and going from Karachi were thereby greatly inconvenienced and the Committee were requested to do the needful in the matter. The Committee thereupon requested Sir Purshottamdas Thakurdas, their representative on the B.B. & C. I. Railway Local Advisory Committee to take up the matter in the Local Advisory Committee. He afterwards informed the Committee that the Agent of the B.B. & C. I.. Railway had promised to resume the Ahmedabad-Sind Mail service very shortly. Accordingly the service has been resumed.

9. Railway Risk Note Form "A"—Complaint of Messrs. Maganbhai Amin & Co.:—

The Committee received complaints from Messrs. Maganbhai Amin & Co. against the B. B. & C. I. Railway regarding the insistence by the latter for execution of Risk Note Form "A" even for well packed and sound consignments of the former. They thereupon addressed the Railway authorities in that connection and requested them to see that no unnecessary harrassment was done to Messrs. Maganbhai Amin & Co. The Committee in reply were informed that the Railway company did not as a rule demand Risk Note Form "A" in all cases of consignments. The Committee thereupon informed Messrs. Maganbhai Amin & Co., that the Secretary would be glad to investigate the matter personally when they next dispatched their consignments.

10. Railway Risk note Form "A" for military consignments. Enquiry from the Controller of Contracts, Simla:—

An enquiry was received from the Controller of Contracts regarding the practice obtaining in Bombay for packing sugar, rice, etc., for consignments, and the insistence of Railways for Risk Note Form 'A' for well-packed consignments. He wanted this information because he desired to have a definite ruling on the point from the Railway Board. The Committee in reply informed him that the articles referred to, were packed in new single gunnies for which generally Risk Note Form 'A' was demanded by Railways.

11. Re-weighment of goods at destination:—

(*Vide*—pp. 105–107 Chamber's report for 1927).

The Committee in July 1927 wrote to the Government of India, Railway Department regarding the necessity of providing facilities for reweighment of goods at destination. In support of this argument they cited the decision of Judicial Commissioner, Nagpur. The Railway Board in reply informed the Committee in July 1928 that they (Railways Board) were

advised that the Railways were not under any legal obligation to reweigh consignments. As regards the decision of the Judicial Commissioner, Nagpur, the Committee were informed that Additional Judicial Commissioner in his review of the case stated that it was not his intention to lay down that the railway company was under a legal obligation under all circumstances to reweigh goods at the will of the customer. The Committee in reply observed that the Additional Judicial Commissioner had not granted the appeal of G.I.P. Railway, but rejected it. Moreover he did not say that the railways were not bound to reweigh consignments at the destination stations. Under the circumstances the railways were not precluded from the liability at all and that it was not their legal right, as the Railway Board would have it, to refuse reweighment. The Railway Board in reply informed the Committee that they had nothing to add to their previous letter.

12. New packing regulations for Asafoetida by the G.I.P. and the B. B. & C. I. Railways :

The attention of the Committee had been recently drawn by some Asafœtida merchants to the fact that the B. B. & C. I. and the G.I.P. Railways had introduced new regulations not to book any Asafœtida which was not packed in tins. They observed that the said Railways for the past so many years had been booking the same packed in wooden boxes. The Committee requested the Railways to enlighten them as to why such a new rule was now introduced in place of the old one which worked successfully for the last so many years. The Committee were informed by both the Railways that the new condition was necessitated by the pungent odour of the commodity which when exposed to the air evolved sulphurated hydrogen with the result that other commodities loaded in the same wagon with a consignment of Asafœtida became impregnated with the offensive odour of the latter.

13. Refusal by the M. & S. M. Railway to accept unpacked agricultural implements of Kirloskar Bros. without the Risk Note Form A:—

At the instance of Messrs. Kirloskar Bros., one of their members the Committee addressed the M. & S. M. Railway authorities regarding their refusal to accept unpacked agricultural implements at Railway risk unless Risk Note Form-A was executed. The contention of Messrs. Kirloskar Bros. was that when the Railway Company was paid higher rates, because of the risk, the responsibility for damage of goods in transit entirely lay on the Railway Company and they could not get out of it by asking the consignee to sign the Risk Note Form-A. The Committee enquired of the Railway as to what was the reason for same. The Committee were afterwards informed that the Railway Company had kindly conceded to the request of Messrs. Kirloskar Bros. in the matter.

14. Some grievances of the Wadi Bunder Forwarding Agents' Union against the G. I. P. Ry. authorities:—

The attention of the Committee was drawn by the above Union to some difficulties and hardships experienced by their Dalals in connection with their business. They stated that the G. I. P. Ry., authorities did not give railway receipts in good time during the course of the day for the goods received, and that no sufficient sitting and lighting arrangements were provided for them. The Committee thereupon requested the G. I. P. Ry. authorities to arrange for (1) giving railway receipts latest before 7 or 8 p. m. (S. T.) for the goods received during the day, and (2) provide for sufficient sitting and lighting facilities in the various sheds of the Wadi Bunder station. The matter is still under correspondence.

15. Proposal to compile a pamphlet containing information regarding the principal commodities, location and names of traders on the G.I.P. and the B.B. & C.I. Railways as suggested by the B.N. Railway:—

The attention of the Committee was drawn by the Bengal Nagpur Railway authorities to the proposed compilation of a

pamphlet containing the information mentioned above. The Committee were further requested to inform them in what language the same should be published. The Committee informed the B. N. Railway that the pamphlet should be published in both English and Gujarati. The Committee also requested their representatives on the G. I. P. and B. B. & C. I. Railway Local Advisory Committees to take up the question of similar publication by the Local Railways. The question was discussed at meetings of both the Local Advisory Committees and it was resolved that till the publication of the B. N. Railway was out and the response received by it known, the matter be postponed.

(b) Shipping :—

16. Port Quarantine Scheme for major ports :

The views of the Committee were invited by the Government of Bombay on the various points raised by the Government of India with regard to the scheme for Port Quarantine for major ports. With regard to the definition of Port Quarantine, the Committee felt that it would not be proper to adopt the same stringent regulations in India as were adopted in Australia in case of such diseases as were generally prevailing in that country. The Committee suggested that Port Quarantine and sanitary stations should be established at ports where there was a large traffic in passengers. With regard to the question of meeting the cost of Port Quarantine administration, they suggested that it should come out of the revenues of the Local and Central Governments. The shipping should not be asked to defray the same, as it was already bearing its share in the shape of Port dues, Ports and hospital dues at Calcutta.

17. Mercantile Marine Administration in India :—

The Government of Bombay in forwarding the letter of the Government of India containing the proposals on the subject of Mercantile Marine Administration in India, invited the Committee to give their opinion on the same. After carefully considering the proposals, the Committee, while reiterating

their opposition against the transfer of control of the Port Trust administration from the Local Governments to the Central Government as a matter of principle, were prepared to reconsider the question if that scheme were to give greater powers to the Port Trusts. They however emphasised the point that there should be a preponderating majority of Indians on the Boards of the different Port Trusts as the whole scheme might be a failure unless there was that necessary accompaniment. As regards the scheme of organisation at the Ports and at Headquarters, the Committee generally approved of the plan set forward in the Government letter. They however did not agree with the proposal that the Principal Officer and the Surveyors should be recruited only from the Royal Indian Marine or the future Royal Indian Navy. They suggested that Government should provide the necessary opportunities for employment for young Indians aspiring to these services. The Committee further suggested that a Mercantile Marine Committee should be constituted by Statute as in England on which shipping, Port Trust, and other interests should be adequately represented.

18. Questionnaire of the International Labour Conference re: protection to workers engaged in loading and unloading of ships against accidents:—

The Government of Bombay forwarded for the views of the Committee copies of a questionnaire relating to the protection against accidents of workers engaged in loading and unloading ships. The question had been placed on the Agenda of 12th Session of the International Labour Conference to be held at Geneva in 1929. The Committee in reply informed Government that in the absence of facts and figures showing the number and nature of accidents to dock labourers, they found it difficult to answer the questionnaire as they would like to. They were of opinion that in the work as at present carried out, the workers were not exposed to any risks unusual to the work. To take any measures, the need of which was not justified by facts and

figures, would be to increase the cost of handling goods, which as they stood at present, were very high, and the Committee were of opinion that till a case was made out for going further into the matter, any action that might be proposed to be taken at that stage was unnecessary and premature.

19. Protection to workers employed in loading and unloading goods and coaling ships at docks, Wharves, etc.:—

In connection with the above question the Committee were informed by the Government of Bombay that the Government of India were now seeking information regarding the regulations at present in force in Indian ports for the protection of workers employed at the Docks, Wharves, etc., and investigating the desirability of amending the Indian Factories Act, 1911, so as to enable the authorities to frame regulations on the lines of those prescribed under section 79 of the British Factory and Workshops Act 1907. The views of the Committee having been invited they observed that no case had been made out by Government for introducing the legislation on the lines suggested by the Government of India. In the absence of necessary figures and information as regards accidents in Docks, Wharves, Quays, etc., it was very difficult to arrive at any definite conclusion on the question of the desirability or otherwise of introducing legislation Government had in view. The Committee therefore suggested that the commercial bodies should be supplied with the necessary data, so that they could consider more effectively such suggestions as might come from Government.

20. Pilgrim ships-proposed revision of rules,:—

The views of the Committee were invited by the Government of Bombay, Marine Department, on the proposed revision of the existing rules for pilgrim ships. The Committee in reply informed Government that they approved generally of the rules, but offered some suggestions regarding a few minor points.

21. Appointment of Advisory Committee (Shipping) under Indian Merchant Shipping Act, 1928.

The views of the Committee were invited by Government on the subject of Merchant Shipping Advisory Committees. The Committee in offering their views observed that there should be one Central Advisory Committee, with sub-committees at Bombay and Calcutta. With regard to the constitution and functions of the Central Advisory Committee, they suggested that the model of the British Merchant Shipping Advisory Committee should be adopted. The Central Advisory Committee should include the following interests:—

The Federation of Indian Chambers; The Association of European Chambers: Indian Shipowners; Deck Officers; Engineer Officers; Deck Crew; Saloon Crew; Engine Crew; Wireless Operators; Underwriters; Port Officer Nautical Adviser to the Govenment of India and Chief Officer to the Government of India. The functions of the Committee should be to supervise (1) registry of ships (2) Seaworthiness of ships (3) Life saving appliances and organisation, etc., (4) examination of competency for officers and engineers, etc. (5) Licenses to supply seamen; licenses for inland and coastal navigation (6) carriage of passengers and (7) pilotage and harbours. The composition and functions of the Central Advisory Committee should be embodied in a statute. The Committee emphasised that a predominant Indian majority should be secured whatever be the total strength of the Committee.

22. Report of the Marine Court Enquiry into the disaster of s. s. "Tukaram" and s. s. "Jayanti", and the Government resolution thereon:—

At the instance of a member, the Committee addressed Government asking for the publication of the report of the Marine Court Enquiry into the loss of s.s. "Tukaram" and s.s. "Jayanti" and the Government resolution thereon. In reply they were informed that as a matter of rule such reports and proceedings were not published for general information, but

the resolution of Government thereon would be published in due course. The Committee again addressed Government requesting that the report, etc., should be published for general information looking to the fact that many lives were lost in that sad occurence and the intensity of the public feeling on the same.

23. Receipts for Packages landed in a damaged condition :—

The Committee considered a etter from the Manager, Bombay Port Trust Docks, regarding receipts for packages landed in a damaged condition. He observed that official receipts from consignees of goods imported through the Dock and cleared by them consisted of the relative Bills of Landing or Agents Delivery Orders endorsed "received in full," and signed. The Trustees as bailees were required to deliver the goods to consignees in the same condition as received from the importing vessel, but where the goods were landed in damaged condition from vessels discrepancies arose between the qualified receipts passed by the Trust to Ship's Agents, and the "received in full" endorsement from the consignees to the Trust. He therefore proposed to change the form of endorsement required of the consignee to "received in full as discharged from vessels." The Committee in reply informed the Manager, Bombay Port Trust Docks that thay were not in favour of the proposed amendment in the endorsement regarding the above receipts as they thought that the same would not improve the present situation at all.

24. Revised Rules regarding Native Passenger Ships.

The opinion of the Committee was invited by the Government of Bombay regarding the revised rules re: space measurement, latrine and other sanitary arrangements, signals of distress, fire extinguishing appliances and life appliances on the Native Passenger Ships. The Committee after carefully considering the same offered some suggestions thereon.

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(2) FINANCE, TARIFFS AND TAXATION.

25. Reserve Bank Bill :

The Committee sent a telegram on 21st January 1928 protesting against the innovation of Government entrusting a Bill to a Select Committee, getting the Committee to work for several months and the Assembly to consider that report and later introducing a new Bill practically reverting to the original Bill. This method, they stated, could not but be exceedingly derogatory to the powers and privileges of the Legislature. They remained strongly of opinion that the Reserve Bank must be a State Bank and not a shareholders' Bank and lodged their emphatic protest against the latest undesirable move on the part of Government.

26 Budget of the Government of India for 1928-29 :—

The Committee sent a telegram to the Government of India, Finance Department, through their representative in the Legislative Assembly, on 1st March 1928 regarding the Budget of the Government of India for 1928-29, stating that in the present economic condition of the country the level of taxation was unduly and unnecessarily high. They suggested that the most serious steps were necessary to get the same reduced even if it involved the suspension of the sinking fund for some years. The military expenditure which absorbed a large part of the revenue should be reduced to 50 crores. The Committee did not agree with the statement in the Budget that the revenue tariff wanted revision, but favoured a close examination of the entire schedule of Customs with a view to remove anomalies which bore heavily on the industries of the country and with a view to the establishment of duties on a scientific basis. They urged that the recommendation of the Royal Currency Commission, as regards the abolition of stamp duty on internal Bills of Exchange payable otherwise than on demand should now be given effect to.

27. Budget of the Government of Bombay for 1928-29 :—

The Committee asked their representative on the Bombay Legislative Council to oppose the two money bills, viz; the

Court Fees Stamp Act Bill, and the Stamp Act Bill which the Government wished to introduce as permanent measures of taxation to meet their growing expenditure. In this connection a compromise was effected in the Legislative Council which agreed to give these bills a life of one year more only.

28. Indian Match Industry :—

The Committee received a letter with its enclosures from the Tariff Board (Match Industry Enquiry) in last December containing the proposals of Sir Padamji Ginvala regarding the question of protection to Indian Match Industry. Broadly speaking the following proposals were made in the letter under reference and its enclosure:—

(1) The handing over of the monopoly, both of the manufacture and of the sale of matches to the Swedish Trust under certain conditions;

(2) The establishment of a Government monopoly for the sale and manufacture of matches in India;

(3) The establishment of a monopoly of sales to be entrusted to a separate Sales Organisation or to Government, manufacture being carried on by private agency and production to be regulated by license.

These proprosals were carefully considered in consultation with the representatives of the Match Industry. The Committee in offering their views on the same stated that in the first place the present revenue duty should be turned into a protective duty, because there was no security of protection in a revenue duty as such. With regard to the Swedish Trust, they suggested that Government should ask the Swedish Combine to get itself registered in India in rupee capital with a stipulation that 75% of its capital should be Indian-owned in its true sense and not by nominees and three-fourths of itsDirectors should also be Indians and the Company must be required to entertain Indian apprentices in

their different factories. They further suggested that a licensing system should be introduced and restrictions should be imposed on the production of different manufacturers by assigning them a particular quota of production for each. The quota of the Swedish Trust should be also fixed and at any rate it should not be more than 25% of present local manufacture and it should also be provided that that quota should be reduced every year eliminating automatically the Trust in about five years. As regards the selling of matches, either imported or manufactured locally, the Committee stated that there should be a Central Sales Organization not run by the State but by a joint stock company. It should have a rupee capital entirely inIndian hands. The Directorate should consist of (1) one Government Officer, (2) two representatives of manufacturers, (3) Four representatives to be elected by shareholders, and (4) two representatives elected by the Federation of Indian Chambers of Commerce.

29. Report of the Indian Tariff Board and the Government Resolution re: protection to the Indian Match Industry:

The Committee considered the Resolution of the Government of India supporting the recommendation of the Tariff Board to convert the present revenue duty of Rs. 1-8 per gross on matches as a protective duty and sent a telegram to Government, through their representative on the Legislative Assembly, welcoming the same. They were sorry, however, to note that both the Report of the Tariff Board and the Government Resolution had left unaffected the operations of the Swedish Match Trust which was a danger to the indigenous industry. The Committee urged that Government be pleased to require the Swedish Match Trust to be under Indian control as required by sub para 32 of the Tariff Board Report.

30. Detrimental activities of the Swedish Match Trust:—

The attention of the Committee was drawn by a member to the policy of price-cutting started by the Western India

Match Company to ruin the Indian Match Industry. The Committee thereupon addressed the Government of India requesting them to take such measures as would bring the Swedish Match Trust under control.

31. Protection of Oil Industry :—

The Committee sent a telegram on the 30th March 1928 to the Government of India, Commerce Department, protesting against the precipitate reference to the Tariff Board of demands for protection made by oil-companies working in India against alleged dumping of foreign oil. Present position was purely adventitious and did not satisfy conditions laid down by Fiscal Commission. The Committee could not understand the reason for so much solicitude towards companies which were predominantly non-Indian in respect of capital and management, specially when the interests of the general consumers were likely to be promoted rather than otherwise by the growth of competition which had only recently come into existence. Even if such an enquiry were necessary the exclusion from the terms of reference of the cost of production was absolutely unjustified because it must form a vital factor in the course of all investigations by the Tariff Board. Thereafter the Committee submitted a complete and convincing case against claims put forward by those companies who had asked for protection. It has been fully published in the Press.

32. Oil Industry Enquiry-Expenses incurred for:—

The Committee at the suggestion of a member addressed the Government of India regarding the above subject. They urged that Government should recover the total amount of expenses incurred in connection with the Oil Industry Enquiry by the Tariff Board in view of the fact that the applicant Oil companies had withdrawn their application for protection before the Tariff Board had even finished their deliberations. Government in reply informed the Committee that they did not wish to pursue the course suggested.

33. Report of the Tariff Board regarding the Oil Industry.

The Committee considered the various suggestions made by the Tariff Board in their report regarding the oil industry. In the first place, they congratulated Sir Padamji Ginvala, Kt President of the Tariff Board, on the very masterly elucidation he had given to the claim for protection of the oil companies and the manner in which he had exposed their pretensions. In the opinion of the Committee the matter could not be left at that stage, and further enquiry was vitally necessary in the interests of the country at large. That enquiry should be directed with a view to three ends: (1) cost of production, (2) refineries, and (3) prices at which crude oil could be imported into Indian Ports and at which it should be sold after making due allowances for refinery cost. The Committee expressed the hope that a Committee of Enquiry to go into all these matters would be appointed by Government as soon as possible.

34. Protection to the Type Foundry Industry:—

The Committee submitted to the Tariff Board their views regarding the claim of the Indian Type Foundry Industry for protection against the inroads of foreign manufacturers specially Continental. A large portion of the raw materials used in that Industry like lead, antimony and tin was found in the country in good quantity and there was an ample supply of cheap labour for the same. One of the anomalies of the present position was that while there was only a duty of 2½ % on manufactured products like types, the duty on raw materials used in that Industry was 15 %. The Committee expressed their sympathy with the suggestion for protection of the Type Foundry Industry and hoped that the Tariff Board would be pleased to consider the claim of the Industry favourably and sympathetically.

35. Wagon Industry Protection Bill:—

The Committee considered the Bill introduced in the Legislative Assembly to provide for the modification of certain import duties relating to the protection of the steel industry

in British India. The main object of the Bill was to protect the Indian Wagon Industry by raising the present revenue duty of 10% ad valorem on wagons and carriage under-frames to a protective duty of 17% ad valorem with a further duty of Rs. 15 per ton where those arcticles were not of British manufacture. It was further provided to (1) renew the protective duty of Rs. 3 per cwts, on certain kinds of wire and nails; and (2) raise the duty on iron or steel bolts and nuts to Rs. 2 per cent. The Committee agreed with the majority of the Select Committee of the Legislative Assembly who opposed the proposed protective duty on imported wagons and under-frames. The other two provisions which were accepted by the Select Committee, were also accepted by the Committee.

36. Interview with Dr. D. B. Meek, M.A., D.Sc., Director General of Commercial Intelligence and Statistics, India:—

A Special meeting of the Export-Import Sub-Committee was held on Monday, the 5th November 1928 at 12 noon (S.T.) to meet Dr. D. B. Meek for discussing the Tariff valuations for 1929. Representatives of the various firms and companies who were present supported their suggestions by producing the original invoice values, bills, etc. Dr. Meek took notes of the various suggestions and accepted some of them. With regard to raw silk imported from Italy for which there was no provision in the proposed tariff valuation for 1929, Dr. Meek assured the Sub-Committee that the same would be charged on an ad valorem basis from 1st January 1929. He also promised to simplify the tariff valuation classification for glass bangles as desired by the representatives of the Bombay Glass Bangles Merchants' Association.

37. Tariff values for Hides and Skins for 1929:—

The views of the Committee were invited by the Director General of Commercial Intelligence & Statistics on the revised tariff values for hides and skins exported from India other than Burma to any other country, proposed to be brought into effect from 1st January 1929. The Committee after consulting

the merchants interested in the trade submitted a higher set of rates for the purpose of tariff values, as on the whole the average prices for hides and skins were higher than those proposed by the Director General.

38. Revision of the List of Cotton Piecegoods:—

The Committee being invited by the Director General of Commercial Intelligence and Statistics, India to suggest changes if any in the revised list of imported cotton piecegoods for purposes of assessment of import duty under item No. 45 in Schedule II attached to the Indian Tariff Act, 1894, informed him that they had no modifications to suggest therein.

39. Proposed amendments in Tariff-valued heads in Indian Customs Tariff:—

The views of the Committee were invited by the Director General of Commercial Intelligence and Statistics on the various changes proposed in the tariff-valued heads of (1) Silk; camphor; glass bangles, cinema films, etc. The Committee in expressing their views observed that they had no objection to the various changes proposed. With regard to the proposed new classification of camphor, they suggested that there should be only two classifications *viz*: (1) Camphor, refined, other than powder, and (2) Camphor powder including synthetic powder instead of three classifications as proposed.

40. Record of value in the currency of invoice under Section 30 (b) of the Sea Customs Act:—

The Committee received a letter from the Collector of Customs, Bombay intimating that he had issued a notification to the effect that from 1st April 1928 against each item of the Bill of Entry the invoice value of the goods inclusive of all charges in the original currency of the invoice in addition to the rupee equivalent should be recorded. The attention of the members of the Chamber is drawn to this notification.

41. Drawback of Customs duty on sugar used in Confectionery exported from India to Ceylon. (*Vide* Item No. 46 of the Chamber's report, 1927):—

Sometime in 1927, the Committee, at the instance of a member, requested the Government of India to arrange for getting full drawback on import duty on sugar used in confectionary which was exported to Ceylon from India on the same lines as the English manufacturers of confectionary used to get the same. The Government of India informed them that they had before them a proposal to amend the Customs law so as to allow of drawbacks on the duty paid on raw materials used in the manufacture of goods exported. The Committee thereupon asked Government early in 1928 as to what steps had been taken by them in that connection. In reply they were informed that Government had not yet been able to reach a decision on the matter. The Committee thereupon enquired of Government as to who was examining the whole question of revising the Sea Customs Act and when the decision would be reached.

42. Government of India's letter regarding the Chamber's views about the general import duty of 15%.

In course of their correspondence regarding the subject matter of item No. 41 above, the Government of India informed the Committee that they had noted their views to the effect that the general import duty of 15 per cent., should not be lowered without a scientific examination of the tariff schedules. The Committee in reply informed the Government of India that they had completely misunderstood the attitude of the Committee in that respect. The Committee had at the time of the last budget session of the Assembly expressed their views regarding the necessity of closely examining the entire tariff schedules with a view to put them on a scientific basis. That did not mean that the Committee desired lowering of import duties after the scientific examination as it appeared from the Government of India's letter. They on the contrary observed

that as a result of such an examination, Government of India might be required to allow some articles to be imported into India without any import duty while in good many cases an import duty of 30 %, 40% and even a higher percentage would be necessary.

43. The Indian Tariff Act Amending Bill: (abolition of 30% duty on gold & silver plates and sheets) :—

The Committeee protested against the proposed abolition of 30% duty on imported gold and silver plates and sheets which had undergone no process of manufacture subsequent to rolling because they believed that such a change would affect the small factories manufacturing gold plates and sheets.

44. Effect of Viramgam Cordon on the trade of Bombay :—

The Government of Bombay informed the Committee that the Indian States Committee (Butler Committee) was visiting Bombay on the 24th March 1928 for an informal discussion with them (Government of Bombay) and it was possible that the effect of the imposition of the Viramgam Cordon upon the trade of Bombay would be one subject for discussion. The Committee were asked to supply any information whether supported by figures or not on the subject. They in reply informed Government that without going into other aspects of the question, the re-establishment of the Cordon had, in their opinion, checked the diversion of the trade of Bombay to other Ports and had, to that extent, helped the trade of Bombay.

45. Levy of Customs duty on British Indian goods going from Kathiawar via Viramgam Cordon to Karachi :—

A complaint was received from the Buyers and Shippers Chamber, Karachi, that the Customs authorities at Viramgam exacted Customs duties on British Indian goods re-exported from Kathiawar to Karachi on the ground that there was no provision in the Sea Customs Act to allow these goods free of statutory duties. The Committee enquired of the Central

Board of Revenues in this connection, who after sometime informed them that the necessary change had been made in the Act. There seems to be therefore no ground of complaint with regard to this matter.

46. International Convention passed at Geneva, regarding the abolition of import and export prohibitions and restrictions :—

With regard to the question of ratification of the above by India, the Committee expressed their opinion that it was not fair to her to expect her to ratify all such conventions and resolutions passed at conferences where she was not represented at all, or if represented, by people who could not be called her representatives. They, therefore were not inclined to support any such conventions. The convention with regard to restrictions of imports and exports did not however affect this country at least at present. They approved therefore of the first part of the convention so far it related to the abolition of import and export restrictions, on the clear undertaking that the Government of India would have complete freedom to regulate her economic policy with regard to tariffs which might be affected by her acceptance of the first part of the convention.

47. Protection to the Chemical Industry in India :—

The Committee sent a comprehensive representation to the Tariff Board strongly urging the necessity of giving protection to the various chemical industries of the conntry. The same has been published in the press. Mr. L. R. Tairsee, Mr. K. H. Vakil and Dr. Venkatrao represented the Chamber for the purposes of oral evidence before the Tariff Board.

At the time of the oral evidence of the representatives of the Chamber, Sir Padamjee Ginwalla, President of the Tariff Board made some observations, which it was feared, created some misunderstanding. Mr. L. R. Tairsee, President therefore made a statement before the Tariff Board explaining the same. Sir Padamjee Ginwalla in reply also made a statement. Both the statements have been published in the Press.

48. Proposed Schedule of the Terminal Tax for the Bombay Municipality:—(*Vide* page 338 Chamber's Annual Report for 1927.)

The views of the Committee were invited on the Schedule of non-refundable terminal tax prepared by the Special Sub Committee of the Bombay Municipality. The Schedule was restricted to a few articles. The Committee in offering their views on the same informed the Municipality that the terminal tax should be diffused as much as possible so that no one trade might unnecessarily be burdened.

The Committee were thereafter informed that the Bombay Municipal Corporation had approved of the principle of the imposition of a Terminal Tax in substitution of the existing Town duties, it being understood that the Schedule for the present should inculde those items which were at present liable to Town duties, with such slight alterations as were strictly necessary and that the rates should be so fixed as to produce approximately the same revenue for the Municipality as was realised from the existing Town duties. A Schedule prepared accordingly was under the consideration of the Sub-Committee of the Bombay Municipality and the views of the Chamber thereon were invited. The Committee in offering their views observed that the terminal tax should be spread over 23 articles like ghee, sugar, hides, and skins, wines and spirits, etc. It should be so diffused that it might not work out generally more than ¼ % on the invoice price of each article and, if need be, the Municipality might in some cases, increase the tax, but not in any case exceeding ½%. The Committee further emphasied that the Municipality should raise only as much revenue as it get at present from the refundable Town duties after deducting the refunds.

49. Proposed levy of fire tax on Insurance Companies working in Bombay by the Bombay Municipality:—

The opinion of the Committee was invited by the Bombay Municipality on the proposal of levying a tax not exceeding

2½% on the gross premium earned by the Fire Insurance Companies of Bombay. The Committee in expressing their views observed that no reasons had been advanced for introducing such a radical change in the fire-tax which was in operation at present. If however the object was to make the Insurance Companies pay for the services rendered by the Municipality in shape of maintaining fire brigade, the Committee stated that he efficient upkeep of fire brigade was not only essential to the Fire Insurance Companies but was also beneficial to the general public because it made possible for the insurance companies to keep their insurance rates at reasonable figures. They also took objection on the ground that the tax was proposed irrespective of the profits of the companies, which was bound to prove highly detrimental. A further and stronger objection was this: that it would constitute a heavy burden on the indigenous insurance companies which had strong claims of support from all public bodies. On all these grounds, the Committee were strongly opposed to the proposed levy of a tax on the gross premium of fire insurance companies.

50. Proposal to increase the wheel tax by the Bombay Municipality:—

The Committee addressed the Government of Bombay to withhold sanction to the proposal of the Bombay Municipality to increase the wheel tax, in view of the fact that the Report of the Indian Roads Development Committee which was recently published contained many important recommendations *re* road development and motor car taxation. They therefore suggested to Government that until the final decision of the Government of India was known on the same, the question should be held in abeyance.

51. Municipal tax on ginning and pressing of cotton by Burhanpur Tapti Mill, Ltd:—

The attention of the Committee had been drawn by one of their members, the Agents of the Burhanpur Tapti Mills, Ltd. to the insistence of the Burhanpur Municipality on levying a

tax on cotton ginned and pressed in the Burhanpur Mill. The contention of the Agents of the Mill was that they were carrying on the ginning and pressing processes purely for their mill and not for trading purposes. The matter was referred to the Judicial Commissioner at Nagpur who after hearing both the parties decided the case in favour of the Mill. The Committee understood that the Burhanpur Municipality had approached the Central Provinces Government with a view to get the Municipal Act so amended as to enable them to tax the Burhanpur Mill. They, therefore, addressed the Central Provinces Government requesting them to give due weight to the consideration mentioned before Government sanctioned the amendments in the Municipal Act as desired by hea Burhanpur Municipality.

52. Incurable inadmissibility in evidence of unstamped or insufficiently stamped Promissory Notes or Bills of Exchange (otherwise than on demand) :—

The views of the Committee were invited by Government on the recommendation of the Taxation Enquiry Committee that the incurable inadmissibility in evidence of unstamped or insufficiently stamped Promissory Notes or Bills of Exchange (other than on demand) should continue. The Committee in reply informed the Government that they approved of the Taxation Enquiry Committee's recommendation on the same.

53. Heavy stamp duty on transfers of shares, etc :—

At the request of a member, the Committee addressed the Government of Bombay regarding the heavy stamp duty on transfers of shares. They observed that a stamp duty of ¾ per cent. on transfers of shares constituted a great burden on the industries of the country and the investing public. It greatly affected the negotiability of shares and in industrial scrips. At a time when capital was very shy and there was a great need for capital for developing various industries, any restriction which might affect its free and easy flow shou d

be speedily removed. The Committee therefore, urged the immediate necessity of substantially reducing the stamp duty on transfers of shares. The Government in reply informed the Committee that the question of reduction of stamp duty on transfers of shares could not be solved unless the question of control of blank transfers was satisfactorily solved. The Committee in reply observed that the question under reference had nothing to do with the question of blank transfers. It should be considered on its own merits.

54. Leakage in the revenue derived from Court Fees and General Stamps :—

The views of the Committee were invited by Government on the suggestion of the Superintendent of Stamps, Bombay that the records of the joint stock companies, insurance companies and banks should be periodically inspected with a view to seeing whether the documents such as transfer deeds of shares, insurance policies, foreign bills of exchange, etc., were properly stamped and the stamps cancelled and that a special staff should be appointed for the purpose. The Committee strongly opposed any such action being taken on the ground that no case had been made out for the same. They further observed that the checks which existed were sufficient for all purposes. The Committee also observed that the business community, were, as matters stood at present sufficiently harrassed by the attentions of the different Government departments and there did not appear to be any reason why they should be subjected to a further inquisition such as was proposed.

55. Proposed amendment in Rule 8 of the Indian Income-Tax Rules, 1922 :—

The opinion of the Committee was invited by Government on the proposed amendment in Rule 8 of the Indian Income-Tax Rules, 1922, with regard to the depreciation charges. The Committee approved of the same.

56. Proposed amendment in rule 19 of the Indian Income-tax Rules, 1922:—

The Committee considered the proposed amendment by the Central Board of Revenue in rule 19 of the Indian Income-tax Rules, 1922 for administrative facilities with regard to the application for refund of excessive income-tax collected on dividends. They informed the Central Board of Revenue that they approved of the same.

57. Proposed amendment to Income-tax Rules, 1922:—

The Committee considered the proposed amendment to Rule 36 of the Indian Income-tax Rules, which relates to the procedure to be adopted by a person resident in British India; and a new draft rule 36 A laying down the procedure for a person not resident in British India. According to the new rule 36 A, a person not resident in British India desirous of obtaining a refund of income-tax under Section 48 of the Act, was obliged to swear before a Notary Public or other functionary or official authorised to administer Oaths that the application for refund of income-tax made by him was correct. The Committee in expressing their views, observed that, that obligation was wrong in principle. They therefore strongly opposed the proposed new rule 36-A.

58. Proposed amendment in Rule 6 of the Indian Income-tax Rules, 1922:—

The views of the Committee having been invited by the Central Board of Revenue on the proposed amendment in Rule 6 of the Income-tax Rules, 1922. They informed the Board that they had no objection to the same.

59. Proposed amendment in Rules 14 and 19 of the Indian Income-tax Rules, 1922:—

The views of the Committee having been invited by the Central Board of Revenue on the proposed amendment in Rules 14 and 19 of the Income-tax Rules, 1922, they informed the Board that they had no objection to the same.

(3) TRADE AND INDUSTRIAL LEGISLATION.

60. Reservation of the Coastal Traffic of India Bill by Mr. S. N. Haji.

The views of the Committee were invited by Government on the above Bill. The object of the Bill was to provide for the employment of Indian tonnage in the coastal traffic of British India and the Continent of India. The Bill was intended to serve as a powerful aid to the rapid development of an Indian Merchant Marine. The Committee sent a strong representation fully supporting the Bill. It has been published in the Press.

The Committee sent a cablegram to the Secreary of State for India, through His Excellency the Viceroy, reiterating their emphatic support to the Coastal Traffic Reservation Bill of Mr. Haji, and denied the allegation made by the Association of British Chambers of Commerce that it would react to the detriment of Indian trade and that it aimed at expropriation.

With regard to the reference made by His Excellency the Viceroy in his speech at the meeting of the Associated Chambers of Commerce at Calcutta regarding the same bill, the Committee also sent a telegram to His Excellency conveying their regret at his expression on the Bill which was under the consideration of the Legislature and reiterating their emphatic opinion that the Bill was in the best economic interests of the country.

61. Views of the Bombay Port Trust on the Coastal Traffic Reservation Bill.

The attention of the Committee was drawn to the views expressed by the Chairman of the Bombay Port Trust on the above Bill. The Committee therefore enquired of the Chairman of the Bombay Port Trust whether the question was considered by the Board of Trustees before the views were expressed thereon. The Chairman informed the Committee that he was invited by Government to express in his personal capacity and not in the collective capacity as Chairman of the Bombay Port Trust. The explanation not being satisfactory the Committee wrote to the Government of Bombay, Marine Department, and

enquired whether the views of the Chairman of the Port Trust were invited in his personal capacity or in the collective capacity as Bombay Port Trust. A letter explaining the whole matter was received from Government.

62 Indian Food and Drug Act:

The Committee addressed the Government of India on 3rd May 1928 regarding the urgent necessity of enacting legislation suitable to the country to control the sale of Food and Drugs They drew Government's attention to the practice followed by a large number of chemists and druggists in India of stocking drugs of inferior quality for sale. This practice had affected the Pharmaceutical Industry of this country to a great extent. The Committee also drew the attention of Government to the various malpractices followed by ome Indian druggists to palm off commercial qualities to the ignorant customers. They, therefore, emphasised that the introduction of a Food and Drug Act on the basis of similar legislation now in force in other civilised countries, would be desirable from the point of view of both consumers and indigenous manufacturers of medicines and drugs. The Government in reply informed the Committee that the question was receiving their attention.

63. The Interest Bill by Maulvi Mahomed Yakub:—

The views of the Committee were invited by the Government of Bombay on the Interest Bill introduced by Maulvi Mahomed Yakub in the Legislative Assembly. The Bill was designed to prevent the accumulation of interest for long periods and thereby save a debtor from the clutches of covetous and clever creditors. The Committee observed that such a legislation instead of relieving the debtors would frighten away credit and thereby much difficulty would be experienced in getting advances at all or in getting existing loans renewed. In these times of trade depressiou both banks and individual bankers as well as commercial houses were obliged to give considerable facilities to their debtors, otherwise the whole of the credit machinery might collapse as happened at the

beginning of the War. Such a thing would be possible under the operation of the proposed Bill. The Committee therefore were strongly opposed to the Bill.

64. The Presidency Towns Insolvency Act, 1909: proposed amendment of Section 69 (2).—

The Government of Bombay forwarded to the Committee a copy of a letter from the Government of India in the Home Department and of its accompaniments regarding the proposal to amend Section 69 (2) of the Presidency Towns Insolvency Act 1909, in its application to the Madras Presidency and requested them to favour Government with their views on the proposal as well as on the point whether the proposed legislation should be Central or Provincial. Section 69 (2) of the Presidency Towns Insolvency Act reads as follows :—

"The first dividend (if any) shall be declared and distributed within six months after the adjudication unless the official assignee satisfied the Court that there is sufficient reason for postponing the declaration to a later date."

The Government of Madras proposed to extend the period from six months to one year and have submitted for the previous sanction of the Governor-General a Draft Bill designed to give effect to the decision. The Committee in expressing their opinion approved of the proposed amendment in Section 69 (2) of the Act, and observed that legislation should be Central and not Provincial.

65. Bill further to amend the Indian Life Assurance Companies Act, 1912:—

The Committee considered the Bill further to amend the Indian Life Assurance Companies Act, 1912 for certain purposes and to provide for the collection of statistical information in respect of insurance business introduced by the Government of India in the Legislative Assembly. They informed their representative on the Legislative Assembly that they approved of the principles underlying the Bill.

The Bill was subsequently passed into Law by the Central Legislature at its Simla session.

At the instance of the Hon'ble Sir Phiroze C. Sethna, Kt., the Committee addressed the Government of India regarding the necessity of amending the said Insurance legislation in view of the fact that it was not possible under the Act to get full particulars regarding the returns of premiums earned by foreign Insurance companies through re-insurance business from the local Insurance Companies.

66. Bill to amend the Indian Merchant Shipping Act, by Maulvi Abdul Matin Chaudhury :—

The views of the Committee were invited by Government on the above mentioned bill. The bill was intended to give effect to the unanimous recommendation of the Indian Seamens' Recruitment Committee for the establishment of an Employment Bureau by the State and the abolition of the system of the recruitment through the licensed brokers, ghat serangs and ghat butlers. The Committee fully supported the Bill under reference. They further suggested that Indians should be appointed as Bureau Officers, because they would be naturally in a better position to appreciate the real needs of Indian seamen. If the Employment Bureau were placed in non-Indian hands, the main object of the Bill was liable to be defeated.

67. Bill to amend the Inland Steam Vessels Act, 1917, by Mr. K. C. Neogy :—

The opinion of the Committee was invited by the Government of Bombay on the Bill introduced in the Legislative Assembly by Mr. K. C. Neogy to amend the Inland Steam Vessels Act, 1917. The three fundamental principles of the Bill as stated in the Statement of objects and reasons were (1) prevention of unfair rate wars by which the non-Indian Companies had in the past defeated indigenous efforts at organisin-Inland Steamer Service in India; (2) prevention of exploitation of the public by monopolistic concerns in the matter of freights and fares; and (3) appointment of Advisory Committees. The

Committee in expressing their views proposed that with a view to attain the main object of the Bill, the navigation of the rivers of India for purposes of traffic should be reserved to ships, the ownership and controlling interest of which were predominantly Indian. With regard to the monopolistic exploitation of the public, the Committee observed that the goal would be reached by vesting the Licensing Authority as recommended by the Indian Mercantile Marine Committee with the necessary power to deal with the question of rebates and other methods adopted by shipping monopolies to maintain their hold. The Committee also supported proposal of the appointment of Advisory Committees which would enable the Inland Shipping Companies to come into direct touch with their clientele.

68. Employment of Women underground in Mines:—

The Director of Information and Labour Intelligence Bombay, forwarded a copy of a Government of India Notification No. M 1055 (2), dated Simla 16th June 1928 relating to the exclusion of women from employment in underground workings in Mines. The effect of the regulations appended to the Notification, if they are finally promulgated in their present form, will be to prohibit absolutely the employment of women in underground workings in Madras, Bombay, the United Provinces, Burma, Assam and the Punjab (except in the salt mines) from 1st April 1929. The Committee while approving of the draft regulations, suggested that they should begin with the eliminations of female labour in mines of depths exceeding 300 feet.

69. The Indian Workmen's Compensation Act Amending Bill:—

The Committee were invited to express their opinion on the Workmen's Compensation Act Amending Bill introduced in the Legislative Assembly by the Government of India Department of Industries and Labour. The Committee generally approved of the various amendments sought to be introduced in the Act. With regard to amendment of section 2

however, the Committee thought it was not desirable. The proposed amendment would make the extent of the definition of Railway servants too wide, for not only the employees of the contractors would come under the definition but even their sub-contractors would be treated as Railway servants. Surely that could not be the intention of the proposed amendment Contractors' employees, if employed on railway works, would under the amended clause get compensation even though they might be drawing salaries of more than Rs. 300 per month to which they would not be entitled, if they were employed by the same contractor on works other than railway works. This was obviously anomalous and the Committee were therefore opposed to the proposed amendment in the Act.

70. Indian Merchandise Marks Act Amending Bill:—

The views of the Committee were invited by the Government of Bombay on the Bill introduced by Mr. K. C. Neogy in the Legislative Assembly to further amend the Indian Merchandise Marks Act 1889 for checking frauds in connection with some imported articles and specially piece-goods. While approving of the Bill, the Committee expressed the opinion that a Bill of a more far-reaching character was necessary. In the proposed Bill the power was vested in the Governor-General in Council to call upon the importer or the wholesale or retail dealer to affix a trade description giving the place of origin thereof whenever the Governor-General in Council thought it necessary. The Committee observed that this would not meet adequately with the requirements of the situation, and suggested that the compulsary indication of the place and country of origin on all imported goods should be provided in the Bill. With a view to facilitate the incorporation of such wholesome provision in the Bill, the Committee suggested some clauses which would achieve the desired end.

71. Trade-Mark Registration in India:—

The views of the Committee were invited by the Government of Bombay on the proposal made by the Prothonotary and

Registrar, Bombay High Court, regarding the desirability of introduction of Trade Mark Registration legislation in India corresponding to the Trade Mark Act 1905 in England. The object of the proposed legislation was stated to be '(I) to diminish the difficulty and cost of, or remove altogether the necessity for, proof of title by use and reputation, (2) to secure the publication of marks which have been appropriated as trade marks. The Committee in reply informed Government that it was desirable in the interest of trade and industries to have egislation for the registration of Trade marks in this country·

72. The Indian Patents and Designs Act Amending Bill:

The views of the Committee were invited by the Government of Bombay on the Bill to amend the Indian Patents and Designs Act 1911, introduced by the Government of India, Department of Industries and Labour, in the Legislative Assembly. As the Bill under reference mainly dealt with the technical questions, the Committee informed Government that they did not wish to offer any views thereon.

73. Difficulties experienced by some Commission Agents of Bombay under the Deccan Agriculturists' Relief Act:

The attention of the Committee had been recently drawn by the Bombay Commission Agents' Association to some difficulties experienced by its members arising from the operation of the Deccan Agriculturists Relief Act. The main grievance of the said Association was that, the Act as it stood at present, entitled an agriculturist debtor, if sued in Bombay, to raise a plea of want of jurisdiction if at the date of the suit he was an agriculturist according to the Act regardless of whether at the time of incurring the liability he was or was not an agriculturist and quite independently of the nature of the said liability. Under the circumstances, the Bombay merchant having claims against such persons was compelled to file suits in the mofussil Courts if he chose to enforce recovery of his claims. The Committee enquired of the Government of Bombay whether their attention was drawn to the hardships mentioned

above, and if so, whether they intended taking any remedial measures to remove the same. Government in reply informed that they had received representations by some Associations on the subject. Government did not propose to take immediate action in the matter, but they had noted the views expressed with a view to their being considered by them when the question of the amendment or repeal of the Deccan Agriculturists' Relief Act as a whole was taken up.

74. Amendment of Clause 12 of the Letters Patents, Bombay High Court :

At the suggestion of a member, the Committee addressed the Government of Bombay regarding the advisability of amending the Clause 12 of Letters Patent of Bombay High Court. The main object of the proposed amendment was to stabilise the present position at Law regarding the jurisdiction of the Bombay High Court to entertain suits regarding mortgaged properties situated outside Bombay Presidency provided the mortgages were executed in Bombay. They emphasised the fact that unless that point was definitely cleared legally, the commercial community would not be able to receive banking and loan facilities easily on their properties outside Bombay. The matter is still under consideration of Government.

75. Levy of stamp duty on foreign marine insurance policies.

The views of the Committee were invited by the Government on the proposal to amend the Indian Stamp Act so as to enforce the stamping in India of foreign marine insurance policies even when no claim was made under them. The Committee, while approving of the proposal, suggested that the Lloyd's covers issued under the open policies should also be brought under the category of these policies.

76. International Protocol regarding Arbitral Awards in commercial contracts:

The views of the Committee were invited by the Government of Bombay on the International Protocol regarding

Arbitral Awards in Commercial Contracts. The Committee in expressing their views entirely agreed with the view held by the Government of India that the application of the Protocol, so far as India was concerned, should be limited to contracts relating to the sale of goods in the export and import trade of India and contracts relating to freight, insurance, commission, etc., associated with such trade, and the accession to the Protocol and Convention should be accompanied by a reservation limiting the obligation to commercial contracts of that nature. The Committee however emphasised that India should adhere to the proposed convention regarding enforcement of Arbitral awards only if such awards were mutually and reciprocally enforceable.

77. Trade Disputes Bill.

The views of the Committee were invited by the Government of Bombay on the Trade Disputes Bill introduced in the Legislative Assembly by the Government of India. The Committee after carefully considering the various clauses of the Bill made certain suggestions regarding the same. The Bill fell into three parts one dealing with Courts of Enquiry and Board of Conciliation, the other dealing with public utility services and the third with illegal strikes and lockouts. They approved of the first part, but with regard to the second they observed that while under the old Bill drafted by the Government of India in 1924 the employer was prohibited from declaring any unlawful lockouts and was obliged to give a month's notice of the reduction in wages, the new Bill penalised the workmen and did not entail any corresponding obligation on the employer of any public utility service to give any notice to the workmen before their services were dispensed with. The Committee observed with regard to picketing that if a matter under dispute had been referred to a Court of Enquiry or Board of Conciliation picketing unless it was made illegal would defeat the object of reference or conciliation. They therefore suggested that neither of the parties to the dispute should be allowed to go behind such a

reference and use force or intimidation towards individuals or groups of individuals to act in a particular manner. With regard to the public utility services, they suggested that the section dealing with the same was very vague and it should, therefore, be clearly laid down which industries were to be included under that heading.

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(4) STORES PURCHASE.

78. Stores Purchase for Indian Railways by the Railway Board :—

The Committee requested the Railway Board to inform them as to the sources of purchase of stores for Indian Railways during 1926-27. They also enquired of the Railway Board whether any attempt was made to ascertain whether some of the items thus purchased could have been secured in India. With regard to the first query, the Committee were informed that the Railway Board was not in possession of the information required. With regard to the second query the Board observed that the reply was in the affirmative. The Committee thereupon addressed the Railway Board stating that their reply was not at all satisfactory. Somebody was purchasing articles for the Railway Board as their agents and they were paying for them. The mere official distinction between the purchase made by the Agents and Stores Departments of Railways under the Railway Board did not mean that they were not in a position to get that information, though it might be true that at the moment the Board had not probably the information with them in their possession. The Committee observed that if the indigenous manufacturers were consulted they would probably give some reason why the ordinary stores articles were not manufactured. They complained against the deliberate policy of placing orders abroad for ordinary stores articles. The Committee in conclusion, observed that it was difficult to understand how the Railway Board could repudiate professions of the Government of India to support the industries of the country and to make the country self-supporting.

79. Non-acceptance of lowest tenders for stores, by the Indian Stores Department London :—

On receipt of the half-yearly statement of cases in which the lowest tenders had not been accepted by the India Stores Department, London, for the period ended 31st December 1927, the Committee addressed the Government of India stating that they should take early steps to see that the Indenting Officers sent their indents in good time. The Committee particularly drew the attention of Government to the item of purchase of typewriting paper. Some 20% more had been spent on the ground that inspection abroad would have cost as much more. The Committee could not understand the meaning of the need of inspection for such everyday articles of commerce. They urged the necessity for rules being framed to prevent an abuse of their powers by Indenting Officers, favouring particular makers.

80. Stores Purchase Policy of the Government of India :—

The Committee forwarded a representation to the Government of India, Department of Industries and Labour, setting forth various instances in which the German and other Continental manufacturers had frequently tendered at much cheaper rates than the British manufacturers. In view of the same, they observed that it was difficult to understand the reason why a large portion of India's stores purchase orders should go to England and consequently result in loss of hundreds of thousands of pounds to the country. They emphasised the fact that Self-Governing Dominions like South Africa and Australia were placing orders of large amounts outside Great Britain because of the cheaper terms offered by the Continental manufacturers. Even some Government and Semi-Government Departments in England recently placed orders for certain articles with Continental firms. The Committee therefore urged that Government should very closely look into the matter and see that orders for India were placed with the cheapest satisfactory supplier.

81. Draft rules regarding Stores Purchase :—

The Committee in forwarding their views on the draft rules proposed by the Government of India for the supply of articles

required to be purchased for the Public Services, were gratified to note that Government had accepted the principle of calling tenders (a) in India, (b) in Rupee currency, and (c) for delivery in India. They generally approved of the same and made certain suggestions. They suggested that if suitable and economic purchases were not made in India, the reasons thereof should be recorded and copies be supplied to the Chambers of Commerce, and that the India Store Department, London, should be under the control of the Chief Controller of Stores in India. With regard to rule No. 7 of the draft rules providing for purchases of (a) leathal weapons, (b) munitions of war and (c) other stores required by the Naval, Military or Air Forces of India, the Committee suggested that the same should be obtained by indent through the Chief Controller of Stores after he had certified that suitable articles on reasonable terms were not available in India.

82. Purchase of Stores by the Indian Stores Department :—

The attention of the Committee was drawn to the fact that the indenting officers while placing their orders for various articles required for Government Departments insisted on purchasing particular articles of particular makers. The Committee therefore enquired of the Government of India whether the same was the prevailing practice. Government in reply informed the Committee that officers while placing their orders with the Indian Stores Department for stores did not generally specify particular make of articles unless there were good reasons for doing so. It was the policy of the Indian Stores Department to widen competition as far as possible and to impress on all the indenting Officers that articles should be purchased to specifications drawn up on wide general lines. The Committee thereupon addressed the Government of India stating that the indenting officers invariably insisted on the High Commissioner for India in London purchasing particular articles of particular makers, as would be seen from the six-monthly statements issued by the High Commissioner regarding non-acceptance of lowest tenders. They further observed that such a practice should forthwith be discontinued as it resulted in great loss to the country.

(5) GENERAL TRADE AND INDUSTRY.

83. Diversion of Trade from Bombay :—

The Committee have forwarded a representation to the Government of Bombay concerning the diversion of trade from Bombay to Karachi and Kathiawar Ports. They showed by facts and figures that the Bombay Port had lost ground in recent years, partly on account of (10) its costliness, and partly on account of (2) the growing competition of other Ports enjoying various advantages. In view of the urgency and importance of the matter, the Committee emphasised the necessity of joint action on the part of all interested in the trade of Bombay, *viz.* the Government of Bombay, the Bombay Port Trust, the Bombay Municipality, the Railways, the local commercial bodies, shipping companies, etc., for ascertaining the exact causes of the trade deflection and possible remedies to remove the same.

They therefore suggested that an authoritative and fully representative Committee should be appointed to collect necessary materials and to carry on a comprehensive enquiry into the whole question.

84. Textile Mills Strike :—

The Committee considered the circular letter written by Dr. G. V. Deshmukh, President of the Bombay Municipal Corporation, to them as well as to the other important Public bodies regarding the disastrous mill strike in Bombay. He made some concrete suggestions for an early settlement of the Strike. The Committee in reply informed the President of the Corporation that they fully endorsed the first principle *viz.* that the Strike should be ended and work should be resumed pending the consideration of the question of wages by a competent and impartial Committee. In conclusion the Committee wished Dr. Deshmukh every success in the great public effort which he was making and assured him of every co-operation towards the settlement of the strike and early resumption of work which was now necessary in the interests of all concerned as well as in the interests of trade and prosperity of Bombay.

85. Joint deputation of the two local Chambers of Commerce to H. E. the Governor of Bombay re. the present Industrial situation in the City :—

A joint deputation of the Indian Merchants' Chamber and the Bombay Chamber of Commerce waited upon H. E. the Governor of Bombay on Friday, the 21st December 1928. The deputation placed before His Excellency the grave situation prevailing in the mill area due to activities of some of the extremist labour leaders. They stated that the root cause of the present trouble with the Mill industry was, in their opinion, the unfortunate Currency and Exchange policy of the Government of India and their refusal to give effect even to the modest recommendations of the Tariff Board regarding the industry. They emphasised on His Excellency the urgent necessity of bringing these matters before the Government of India. The joint memorandum as well as the reply of His Excellency the Governor are fully published in the Press.

86. Issue of alluring prospectuses by foreign enterprises for attracting Indian capital abroad :—

The Committee wrote to the Government of India, Department of Commerce, regarding the investment of Indian capital abroad. The point which would merit immediate attention of Government, they observed, was the activities of concerns, whose *bona-fides* might be open to doubt. The Committee felt that active measures on behalf of a Company which set out in attractive prospectuses chances of multiplying many times the funds invested, were bound to succeed in playing on the greed and ignorance of many people. What was necessary, therefore, was to stop the mischief before it started and devise some means enabling the small investor to ascertain the main facts with regard to an enterprise located abroad for which his support was being canvassed. As very large questions of policy were involved in the consideration of the subject, the Committee observed, they would content themselves for the present with the request for a statement of policy from Government.

87. Extension of the Deferred Rebate system by Steamship companies for shipping sugar from Java to India :—

The attention of the Committee was drawn by some sugar merchants to the recent introduction of a new clause in their shipping contracts by the Conference Liners aiming at the extension of the Deferred Rebate system to shippers as well as consignees of sugar from Java to India. They observed that such an extension was an ingenious move to coerce not only the shippers but also the consignees to ship their sugar only through the Conference Lines steamers. The Committee, thereupon, addressed the Government of India and enquired whether Government's attention was drawn to that, and, if so, what steps they intended to take in the matter.

88. Army Contractors' Syndicate :—

The attention of the Committee having been drawn to the new system adopted by the Army Department of having a Syndicate of Army Contractors, addressed the Government of India stating that it was felt that the same would not be favourable to petty contractors. The new organisation had been practically forced upon the contractors. They emphasised that the Syndicate must be required to sell at the same rates as the local traders and wholesale people and that the Contractors should be allowed to get their supplies even from these and not be made to restrict themselves to the new Syndicate. With regard to the services of the Syndicate, the Committee submitted that Indians should be appointed to responsible posts of the new Syndicate. The Government of India in reply informed the Committee that the experience of the war proved that the individual contractors scheme was not able to cope with the modern military requirements. With the objects of ensuring essential war requirements, Government examined several proposals and they had come to the conclusion that the new system recently adopted was the only one which was likely to hold out any reasonable prospect of success. The question of recruiting Indians for the higher posts under the Syndicate, the Committee were informed, would be treated with every possible sympathy.

89. Menace of the vegetable products to the indigenous ghee trade :—

The Ghee Merchants' Association of Bombay represented to the Committee that the growing adulteration of the imported vegetable product with ghee had seriously hit the genuine ghee trade of the city. The Committee were therefore requested to do the needful in the same. The matter, it appears is at present under the consideration of the Local Legislature as well as the Council of State and the Committee thought it desirable to await further development in the same before taking any steps.

90. Colouring of Vegetable Oils :—

The Government of Bombay invited an expression of opinion on a proposal by the Government of the Punjab regarding the colouring of vegetable oils before import into India. The Committee in reply informed Government that in their opinion it would not suffice merely to give a distinct colouring to all the vegetable products. They should be given a new and distinctive name under which alone they should be allowed to be sold. Besides these two measures, the Committee strongly insisted on making it penal either to adulterate Ghee or to sell vegetable products as Ghee. The penalty again should consist not merely of a fine but of imprisonment which alone would prevent the practice of adulteration.

With regard to the question as to whether vegetable products were detrimental to health or not, the Committee suggetsed that Government should appoint a Committee of experts to investigate into the matter and the Chamber should be represented on the same.

91. The Indian Chamber of Commerce in Great Britain, London :—

The Indian Chamber of Commerce in Great Britain, recently established in London to promote Indian trade, both import and export, etc., requested the Commttiee to enrol it as their corresponding member. The Committee while congratulating the organisers of that Chamber, consented to recognise the same as their corresponding body in Great Britain. They also resolved to request

the members of the Chamber to enrol themselves as Overseas Members of the Indian Chamber of Commerce in Great Britain.

92. Department of Indian Trade Commissioner in London :—

With regard to the Press Note issued by the Government of India on the 27th January 1928 regarding the constitution of the office of the Indian Trade Commissioner in London, the Committee wrote to the Government to the effect that they were disappointed to learn that the Government proposed to reserve the new post of Deputy Indian, Trade Commissioner for an I. C. S. officer of 8 to 10 years' standing. While appreciating the desire of the Government to appoint an Indian officer to that post they drew Government's attention to the fundamental fact that the man to be appointed for the said post must posses intimate knowledge of Indian business methods and trade developments as also the tact and vision for developing and expanding the markets for theIndian manufacturers and goods. They therefore requested the Government to be so good as to lay it down that as far as possible an Indian trained in business and having the qualifications indicated above should be appointed as a Deputy Indian Trade Commissioner in London.

93. Department of Industries of the Bombay Government :—

With regard to the advertisement which appeared in the local newspapers asking for applications for the post of Director of Industries, for the Government of Bombay, the Committee addressed Government stating that they were sorry to find that the applications were not restricted to Indians only. They pointed out that Government had in 1924 practically given a promise to the Bombay Legislative Council to the effect that the Director of Industries would be an Indian thence-forward. The Committee emphasised the urgent necessity of placing the Industries Department under a capable and efficient Indian and expressed the hope that the Government would be pleased to accede to this legitimate request.

94. Extension of second appraisement system by the Bombay Customs House :—

The Collector of Customs, Bombay informed the Committee that the Customs House for some time had been considering steps

to reduce the delays that were occasionally experienced by the mercantile community in putting through their documents in that Office during the busy seasons. The Collector felt that some improvement could be achieved by altering the Customs House Procedure in some ways. One such way was the extension as far as possible of the "Second Appraisement" system, or, in other words, the acceptance of duty before examination of goods. The advantages of the proposed system were: (1) Duty was paid in the Customs House immediately after the office appraiser completed the Bill of entry. The importer could then go to the Dock and have the goods examined and cleared without coming back to the Customs House, unless the Shed Appraiser found it necessary to make a reference back to the Customs House; (2) It would no longer be necessary for importers to bring their samples in all cases to the Customs House. The Shed Appraisers would be competent to examine them in most cases and would forward them to the Customs House only when they found it essential to do so. The Committee in reply informed the Collector of Customs, that they approved of the extension of the second appraisement system.

95. Revision of the list of articles specified in the Seaborne Trade Returns of British India:—

The Director General of Commercial Intelligence and Statistcis, Calcutta, invited suggestions from the Committee on the above lists as they were being revised for the next year. The Committee in reply informed the Director General that suggestions, if any received from the members of the Chamber will be communicated to him in due course.

96. Publication of Cotton Statistics in the Indian Trade Journal:—

The opinion of the Committee was invited by the Secretary, Indian Central Cotton Committee regarding the publication of Cotton Statistics in the Indian Trade Journal. The Committee in reply informed him that the said Statistics were very useful to the commercial community and its publication should, therefore, be continued in the Indian Trade Journal.

97. Grievances of the Alembic Chemical Works Co. of Baroda re : Government competition with their rectified spirit industry and some difficulties experienced from the Excise Department :—

The Alembic Chemical Works Company represented to the Committee that the Government of Bombay had of late begun to enter into competition by offering the rectified spirit manufactured at Government Nasik Distillery for sale on the market. The Committee thereupon addressed the Government requesting them that they might use rectified spirit for the manufacture of country liquor and foreign liquors but they should not sell it in the market as a commercial article. With regard to the present license fees the Committee requested the Government to be pleased to so revise the scale of license fees that the same might not prove detrimental to the industry. With regard to trade hampering rules of the Excise Department of Government, the Committee requested Government that (1) absolute alcohol should be treated as a spirituous medicinal preparation enjoying the concession rate of duty of Rs. 5/- per proof gallon and (2) it should also be made duty free as before not only in respect of hospitals and dispensaries in British India but in all Indian States.

98. Authorisation to issue Certificates of Origins :—

The Committee were informed by the Government of India that the Indian Merchants' Chamber had been recognised by some countries of Europe as one of the organisations in India for the purpose of issuing Certificates of Origin in accordance with the terms of the International Convention relating to the simplification of customs formalities, 1923. A small fee of rupees five only per Certificate is fixed for issuing such Certificates.

99. Customs Notification re: corrections, etc. in the Import Export Manifests :—

The attention of members of the Chamber was drawn to the following notification issued by the Collector of Customs, Bombay, regarding corrections, etc., in the Import Export Manifests.

Notice, Dated 27th September 1928 by the Collector of Customs, Bombay.

Erasures, etc., in Bills of Entry, etc. :—

No erasures or overwritings are allowed on bills of entry, and any bill of entry detected with an erasure or an overwriting is liable to be rejected by any Department of the Custom House concerned. The Custom House will accept no responsibility for the resulting delay.

Amendments :—

After noting is complete, no declaration can be amended without the permission of the competent officer in the Custom House. Any unauthorised amendment, if discovered after noting, may be considered as an attempt on the part of the importer or his agent to tamper with a Customs document after its submission to the Custom House, and dealt with accordingly.

100. Payment of Hundis on Sundays and Public Holidays :—

The opinion of the Chamber was invited by the Karachi Indian Merchants' Association regarding the payment of Hundis on Sundays and on Public Holidays. The Committee expressed their view that payments in respect of Hundis should not be made on Sundays and Bank Holidays.

101. Chamber's representative on the Indian Central Cotton Committee :—

The period of the Chamber's representative on the Indian Central Cotton Committee having been expired due to the rotation rule, the Committee were requested to nominate their representative to hold office from 1st April 1928. The Committee re-nominated Sir Purshotamdas Thakurdas, Kt., C.I.E., M.B.E., M.L.A, to represent the Chamber on the Central Cotton Committee.

102. Nomination of an Indian Muslim gentleman on the proposed Committee re. Provincial Technological Institute at Cawnpore :—

The Committee were requested by the Department of Industries, Bombay, to suggest a suitable Indian Muslim gentleman

conversant with industrial and commercial matters to serve on a Committee to be appointed by the United Provinces Government to examine the system of instruction at the Provincial Technological Institute at Cawnpore. They suggested the name of Mr. Fazal Ibrahim Rahimtulla, M.L.A., for the same.

103. Report of the Indian Cinematograph Committee :—

The Committee considered the various recommendations made by the Indian Cinematograph Committee in their report. In the first place they could not approve of the suggestion that there should be a Central Studio, a Central Bureau, etc., as they were of opinion that no interference was required with regard to the Cinema Industry at present. They also did not favour of the scheme regarding help in the form of loan and thought that the Industry should take care of itself. They suggested that the present duty of 15 per cent. should be raised to 30 por cent. and that it should be considered as a protective duty. They reiterated their views expressed previously regarding the quota system of exhibiting a steadily growing proportion of Indian films. In conclusion, they requested the Government of India to be pleased to take immediate steps to give effect to the recommendations of the Cinema Committee as modified by them.

104. Roads Development Committee :—

The Committee were requested by the Roads Development Committee appointed by the Government to send their replies to the questionnaire issued by them. In expressing their views on the various questions dealt with in the said questionnaire, the Committee stated that the general arrangement of existing roads so far as motor traffic went might be deemed satisfactory. They however, felt that the situation was extremely bad with regard to connecting routes between villages in the interior. On account of bad conditions of roads carts could not carry their full load which meant reduction of transport capacity by about almost 50%. The Committee, therefore, pressed for an improvement in the condition of village roads. With regard to the suggestion of the Bombay Government regarding the imposition of an additional duty on petrol, the Committee emphasised the fact that the taxable capacity of the

people had been reached long since and that the country could not bear any additional taxation. They, therefore, were strongly opposed to any such additional taxation. While recognising the necessity or the improvement of roads they could not concur with the suggestion of the Government of Bombay that the Improvement and repair of roads should be met by additional taxation. They also drew the attention of the Roads Committee to the fact that several roads apparently intended for public traffic were really meant for military purposes. They, therefore, suggested that the cost of all such roads be debited to military accounts.

The Committee were not in favour of the creation of a Central Road Board. They suggested that where, there were no Provincial Road Boards, such Boards should immediately be created.

105. Chamber's representative on the Taxation of Patent Medicines Committee :—

The Committee being requested by the Government of Bombay (General Department) to nominate their representative on the Committee appointed by Government to consider the question of the imposition of a tax on patent medicines, nominated Mr. B. D. Amin of the Alembic Chemical Works, Baroda, as the representative of the Chamber on the same.

106. Interview with the Hon'ble Sir George Rainy, Commerce Member, Government of India :—

The Committee had an interview with the Hon'ble Sir George Rainy, K.C.I.E., C.S.I., Commerce Member Government of India on Monday the 23rd April 1928, when the following questions were informally discussed :—

(1) Protection to Oil Industry ;

(2) Railway freights for commercial commodities ;

(3) Insurance legislation ;

(4) Recommendations of Indian Mercantile Marine Committee ;

(5) Viramgam Cordon ;

(6) Appointment of Deputy Trade Commissioner in London

(7) Principles underlying reference to tariff Board :

and

(8) Deflection of the trade from Bombay.

107. Interview with Mr. R. S. Shanmukham Chetty, M.L.A. :—

The Committee had an interview with Mr. Shanmukham Chetty, M. L. A., one of the Advisers to the Indian Employers' Delegate at the 11th Session of the International Labour Conference, Geneva, on Friday, the 28th August 1928. Mr. Chetty explained to the Committee the working of the International Labour Conference and the subjects discussed thereat.

108. Interview with Mr. Debiprasad Khaitan :—

The Committee had an interview with Mr. D. P. Khaitan, President of the Indian Chamber of Commerce, Calcutta, and one of the Advisers to the Indian Employers' Delegate to the Eleventh Session of the International Labour Conference on Friday, the 5th October 1928. Mr. Khaitan explained to the Committee the working of the International Labour Conference and the subjects discussed thereat.

109. Interview with the deputation of the Indian Insurance Companies' Association :—

At the request of the Indian Insurance Companies' Association, the Committee received a deputation of that Association on Tuesday, the 18th December 1928. Messrs. R. J. Duff and K. S. R. Aiyer on behalf of the deputation explained the whole case of the Indian Fire Insurance Companies regarding the treatened suspension of the rules governing transactions of Fire Insurance in Bombay. Mr. L. R. Tairsee, President, assured the deputation that the Chamber would be glad to stand by the Indian Insurance Companies and the Indian Insurance Companies' Association might always look forward, with confidence, to the Chamber's support in their hour of need.

110. New regulations of the Japan Export Hosiery Manufacturers' Association :—

The attention of the Committee was drawn by the Bombay Hosiery Merchants' Association to the promulgation of new rule

and regulations regarding the export of Hosiery from Japan by the Japan Export Hosiery Manufacturers' Association. The Bombay Association complained that if the said regulations were given effect to they would prove detrimental to their interests. They therefore, requested the Committee to arrange for an interview with the Japanese Consul at Bombay with a view to explaining to him their grievances and suggest means to redress the same. The Committee thereupon arranged for an interview with the Japanese Consul. The President and Secretary of the Chamber also accompanied the deputation of the Bombay Hosiery Merchants' Association, who fully explained their case to the Japanese Consul, who in reply assured the deputation that he would forward their case to the Japan Hosiery Manufacturers' Association for favourable consideration.

111. Indian Employers' Delegates and Advisers to the 12th and 13th Sessions of the International Labour Conference, 1929 :—

The Committee recommended the following names as Employers' Delegates and their Advisers to the 12th and 13th Sessions of the International Labour Conference 1929, to the Government of India, Department of Industries and Labour.

12th Session :—

Delegate :—Mr. Kasturbhai Lalbhai, a leading millowner of Ahmedabad.

Advisers :—1. Mr. P. Mukerji (President of the Punjab Chamber of Commerce, Delhi);
2. Mr. B. Das, M.L.A.
3. Khan Bahadur Chandoo of Rangoon.
4. Mr. R. K. Shanmukham Chetty, M.L.A.

13th Session :—

Delegate :—Mr. Jadunath Roy, Calcutta.

Advisers :—1. Mr. M. A. Master, Bombay.
2. ,, Fakirji Cowasji, Karachi.
3. ,, Sheriff Hasam, Bombay.
4. ,, Bhonaji Rao, M.L.C., Vizagapatam.

112. Government Chemical Analyser—Scale of fees for private chemical analysis—(Vide Chamber's Report for 1925 1926 & 1927, pp. 501, 622, 584; respectively) :—

The views of the Committee were now invited by the Government of Bombay on the scale of fees charged for private analytical work at Government Laboratories. They informed Government that so far they had received no complaints against the scale of fees laid down. The Committee, therefore, had no suggestions to offer at present.

113. Annual Session of the Federation of Indian Chambers of Commerce to be held at Calcutta in December 1928 :—

The Committee having been invited to nominate 4 representatives at the Annual Session of the Federation of Indian Chambers of Commerce, informed the Secretary of the Federation that the following four gentlemen would represent the Chamber :—

1. Sir Purshotamdas Thakurdas, Kt., C.I.E., M.B.E., M.L.A.
2. Sir Ibrahim Rahimtoola, K.C.S.I.
3. Mr. Laxmidas Rowjee Tairsee, and
4. Mr. H. P. Mody.

The Committee also forwarded some resolutions for the said Session of the Federation.

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(6) GENERAL.

114. The Indian Statutory Commission :—

The Committee unanimously endorsed the resolution passed at the 5th Session of the Indian Industrial and Commercial Congress regarding the Indian Statutory Commission. That resolution strongly protested against the exclusion of Indians from the Roya Commission on constitutional reforms and regarded that as a calculated affront to the country. It therefore urged all Indian Chambers of Commerce and other Commercial Associations not to

give evidence before the Royal Commission or otherwise assist it in its deliberations.

115. Chamber's representation on the All Parties Convention at Calcutta :—

The Committee were invited by the All Parties Convention, Calcutta, to send their representatives to the Convention. They nominated the following gentlemen to represent the Chamber at the Convention, with instructions to approve generally of the Nehru Report :—

Mr. L. R. Tairsee (President).
„ H. A. Lalji (Vice-President).
Sir Purshotamdas Thakurdas, Kt., C.I.E., M.B.E., M.L.A.
Mr. Walchand Hirachand, C.I.E.
„ H. P. Mody.

116. League of Nations and India :—

At the instance of a member the Committee wrote to the Government of India stating that they had always urged on the Government that the delegation on behalf of India at the International Conferences should consist of non-official Indians enjoying confidence of the people of India. Year after year the delegation of the Government of India at the sessions of the League of Nations were headed by non-Indians and they did not understand the *raison d'etre* of such appointments in the teeth of popular opposition. The Committee requested the Government of India to be pleased to lay it down once for all that all the delegations on behalf of the Government of India at the League of Nations and other International Conferences should be headed by and composed of non-official Indians enjoying full confidence of the people of India. With regard to the number of posts held by the Indians, the Committee urged that Indians should get equal opportunities to work on the League of Nations Secretariat in view of the fair quota paid by India towards the total expenditure of the League. The Government in reply informed them that the reason why the Indian delegations were not headed by Indians was that they did not know the foreign

policy of the British Empire. The Committee thereupon requested their representative on the Legislative Assembly to do the needful in the matter.

117. Enhanced land revenue assessment in the Bardoli Taluka :—

Mr. Lalji Naranji, the Chamber's representative on the Bombay Legislative Council, having been approached with a request that he should resign from that body by way of a protest against the action of Government in enhancing the assessment without due enquiry and enforcing their demands by the methods they have been employing, the Committee requested the President before deciding that question, to enquire of H. E. the Governor as to what steps Government proposed taking with regard to the general demand for a fresh enquiry into the whole question. The correspondence subsequently passed between the President of the Chamber and H.E. the Governor with regard to this matter has already been fully published in the Press. It will be seen from it that a complete and convincing case has been made out for a fresh enquiry into the matter. H. E. the Governor of Bombay was pleased to invite the President and representatives of the Committee to meet him in Poona to discuss the matter because he observed that it was almost impossible to put the case on both sides more fully by further correspondence.

A deputation consisting of Mr. H. P. Mody (President), Sir Purshotamdas Thakurdas, Kt., and Mr. Lalji Naranji accordingly waited on H. E. the Governor at Poona on Friday, 23rd June 1928, and from the statement issued to the Press, it would be seen that negotiations were in progress to bring about a satisfactory settlement. Mr. H. P. Mody afterwards had an interview with H. E. the Governor of Bombay at Poona on 1st July 1928. After which the Committee left the question of resignation of the Chamber's representative on the Legislative Council to the discretion of Mr. Lalji Naranji.

Since then Mr. Lalji Naranji, the representative of the Indian Merchant's Chamber on the Bombay Legislative Council has sent in his resignation of the seat on the Council.

118. Note regarding Bardoli Land Revenue re-assessment question :—

The Committee approved of a Note prepared by a member putting forth a complete economic aspect of the case regarding the revision of the Bardoli assessment which had not so far been considered. The Note dealt with the various aspects which should be looked into before assessing land revenue of any particular Taluka. The same was approved by the Committee and forwarded to Mr. Vallabhbhai Patel for placing before the Government Enquiry Committee if he thought necessary. Subsequently the note was forwarded to the Bardoli Enquiry Committee.

119. Back Bay Reclamation Scheme :—

The Committee wrote to the Government of Bombay, Development Department, in August 1927 regarding the shrinkage in plots of blocks No. 7 and 8. They observed that they had reasons to believe that the percentage of shrinkage of the plots had far exceeded the liberal allowances made by the Neilson Committee and the revised estimates of the Government of Bombay. Government informed the Committee that the estimates so far made both in point of expenses and shrinkage had fallen short considerably of the actuals, but added that the scheme had proceeded so far that it was not possible to stop as suggested by the Committee. The Committee thereupon requested their representative on the Bombay Legislative Council to move a resolution to the effect that in view of the estimates of all the blocks being continually falsified owing to several uncertain factors all further expenditure on block No 2 must be stopped until correct and reliable estimates for further expenditure were placed before the House and approved.

120. Proposed Indian Institute of Public Accountants :—

It may be recalled that the question of the formation of an Indian Institute of Public Accountants was under the consideration of the Government of India for the last 2 or 3 years. It appeared from the reply given by Sir Charles Innes, the then Commerce Member of the Government of India, in 1927 to one of the members of the Legislative Assembly, that the Government proposed to in-

troduce necessary legislation regarding the same in September 1927. From the reply given by the Hon'ble Sir George Rainy to Mr. M. R. Jayakar on the 1st February 1928 regarding the same the Government conveyed the assurance that the legislation would be introduced at the next September (1928) session of the Assembly.

The Committee thereupon requested the Government to carry out the assurance by introducing necessary legislation in the Assembly at the September 1928 session.

121. All-India Accountancy Board :—

The Committee forwarded their views on the scheme of the Government of India regarding the All-India Accountancy Board. They were glad to note that Government had at last taken up the question of organising an Indian Accountancy Board. They observed that there should be no distinction made henceforward between different classes of Auditors in respect to right of practising all over India and no differential treatment be extended to them. They strongly disapproved of the proposal of elimination from registration of Auditors who are present holding restricted certificates from the scheme, but agreed with Government that there should be no distinction between practising and non-practising Auditors in connection with either registration or legibility for an Auditors certificates. With regard to appointment of the Indian Accountancy Board the Committee stated that the same should be by election and not by nomination as proposed by Government, as nomination was not only unsatisfactory but against all ideas of democratic institution. The Committee therefore suggested for the Central Accountancy Board, that, the quota of Bombay's representation should be one elected by the Indian Merchants' Chamber, one by the Bombay Chamber of Commerce, two by the Society of Professional Accountants, and two nominated by Government. With regard to Local Boards they agreed with Government that members of the Central Board should be ex-officio members of the Local Boards for their own provinces, but for Bombay Local Board over and above that they proposed that one to be elected by the Indian Merchants' Chamber, one by the Bombay Chamber of Commerce, two by the Society of Professional Accountants, and two nominated

by Government, making up in all thus 12 members for the Bombays Local Board.

122. Serious allegations against Indian capitalists and industrialists in general and the Tatas in particular by Mr. Vernon Hartshorn M. P. :—

The Committee sent a cablegram to the Secretary of State for India in London and a telegram to the Private Secretary to H. E. the Viceroy strongly protesting against the unwarranted and utterly baseless remarks made by Mr. Vernon Hartshorn, M.P., recently on the Indian industrialists and capitalists in general and the Tatas in particular. The Committee observed that the Tata who were one of the most respected members of the Chamber, were well known for their labour welfare activities. It was regrettable that Mr. Hartshorn was trying to mislead public opinion in England regarding labour conditions in this country of which he had absolutely no knowledge and experience.

123. News Agency Services of the Government of India :—

The attention of the Committee was drawn to the fact that Government were subsidizing a particular News Agency Service for supplying news to their officers. Thereupon they addressed Government asking for exact information regarding the same. In reply the Committee were informed that the Central Legislature provided regular means for eliciting any information regarding matters of general administrative interest and that Government would be pleased to supply as far as possible the necessary information on the floor of the Central Legislature Houses. The Committee in reply observed that as the Central Legilsature was in session for a very short period in the year, it was practically impossible to get information required by public organisations who were working throughout the year and that such an attitude on the part of the Government would mean a grave harm to public interests and constituted an unjustifiable departure from the practice prevailing for so many years.

124. Supply of British Official Wireless to the Press in India:—

The Committee sent a representation to the Government of India Home Department, regarding the monopoly, given by them

(Government) to Reuters News Agency to disseminate the British Official Wireless messages in India. The Committee took strong objection to the heavy charges levied by Reuters for supplying those messages to the various newspapers in India. They were of opinion that the British Official Wireless should be made available to all news agencies which undertook to supply the same to newspapers in their territory irrespective of the fact whether they were their customers or not for an inclusive monthly subscription of Rs. 60 and pay to the Government their share of the charges now entirely borne by the Reuters Agency. A letter from Government explaining the whole position was received and recorded.

125. Bill to define the Limits of the Ordinary Original Civil Jurisdiction of the High Court of Bombay.

The opinion of the Committee was invited on the question recently arisen as to the validity of certain notification of the Local Government under the Bombay Land Revenue Code 1879 and the Code of Civil Procedure 1898 regarding oyster beds in the Mahim Creek, so far as the jurisdiction of the High Court was concerned. The High Court recommended that steps should be taken to fix the limits of ordinary original civil jurisdiction in the manner contemplated by clause 11 of the Letters Patent. The Government having accepted the recommendation, a Committee presided over by Mr. Justice Fawcett was appointed to investigate the question. Among other things the Committee (Government) had proposed that the limits within which the ordinary original civil jurisdiction of the Bombay High Court shall be exercised, should be the existing boundary stones demarcating the Bombay Municipality from the Bandra and Kurla Municipalities. The Committee approved of the Bill embodying these proposals.

126. Bill to amend the Indian Penal Code by Mr. N. M. Joshi :—

The opinion of the Committee was invited by Government on the Bill introduced by N. M. Joshi in the Legislative Assembly to amend the Indian Penal Code with a view to protect the members and office-bearers of Trade Unions (not registered) from criminal liability under Section 120-B of the Indian Penal Code. The Committee opposed the same on the ground that it would endanger a

healthy Trade Union movement. The Trade Unions Act of 1926 gave certain well defined concessions and facilities to registered Trade Unions under that Act. If the same facilities and concessions were given, as was proposed under the Bill, to the unregistered Trade Unions, the movement would seriously suffer. The Committee further observed that the analogy drawn by the mover of the Bill from the English Act, was not quite exact, because in England most of the labouring classes joined the Trade Unions while in India, a very small percentage of labourers belonged to the Trade Unions. The Committee therefore were strongly opposed to the Bill.

127. Bill to amend the Indian Limitation Act.

The views of the Committee were invited by Government on the Bill introduced in the Legislative Assembly by Mr. N. C. Kelkar to amend the Indian Limitation Act with regard to the period of limitation in a suit by a ward to set aside a transfer of property by his guardian. The Committee while opposing the Bill, observed that under the existing law a minor could within three years of his attaining majority sue for setting aside a transaction entered into by his guardian. If the law was amended as proposed and a person had to set aside a transaction entered into by his guardian within 12 years of the taking of possession by the alienee, it might well happen that the period of limitation might expire before even the minor attained his majority. It was therefore difficult to see how the proposed amendment could benefit minors.

125. Transfer of Improvement Trust's Activities to the Bombay Municipality :—

The views of the Committee were invited by the Government of Bombay on the representation addressed to them by the President of the Bombay Municipality regarding the transfer of activities of the Improvement Trust to the Bombay Municipality. The Committee in expressing their views emphasised the fundamental principle that there should be only one local self-governing authority in a city like Bombay. They agreed with the view that the control over the Improvement Trust was at present inadequate in many respects, and were of opinion that for economic and administrative reasons also a complete transfer should be brought

about. They hoped that under the circumstance Government would see their way to comply with the request of the Bombay Municipal Corporation.

129. Appointment of an Indian as Agent General to the Government of India in South Africa in place of Rt. Hon'ble Shrinivasa Sastri :—

At the instance of one member, the Committee addressed the Government of India requesting them to appoint an Indian commanding popular confidence as the Agent General of the Government of India in South Africa in place of the Rt. Hon. Sastri, when he retired from that office.

130. Appointment of the Assistant Accountant under the Port Commissioners of Calcutta : (vide item No. 152 of the Chamber's Report for 1927) :—

Last year when the Committee addressed the Government of India protesting against the method of inviting applications from Chartered Accountants only, for the post of an Assistant Accountant for the Calcutta Port Trust, the Government informed the Committee that the salary for the post under reference being under Rs. 1,000 p. m., the matter was entirely within the jurisdiction of the local Port Trust. Subsequently a European with a higher salary was appointed by the Calcutta Port Trust in defiance of the united voice of the Indian Port Commissioners. The Committee thereupon again addressed the Government of India stating that the matter had now ceased to be the domestic concern of the Calcutta Port Commissioners. They emphasised the urgent necessity of giving effect to the promises given by the Government regarding the Indianisation of higher and superior services of all Government departments, Port Trust, etc. In the case under reference an Indian gentleman possessing even higher qualifications and having longer and more useful experience had applied for the post, still a European was ultimately selected for the same. This was in the opinion of the Committee, highly unfair and unjust. The Committee therefore requested the Government of India to withhold sanction to the appointment of a European in the Post of an Assistant Accountant

under the Calcutta Port Trust. The Government in reply informed the Committee that the matter was under consideration with the Government of Bengal.

131. Appointment of an Indian as Consulting Architect and Surveyor to the Government of Bombay :—

The Committee at the instance of a member wrote to the Government pointing out that no Indian uptil now had ever been appointed to the post of the Consulting Architect and Surveyor to the Government. They drew the attention of the Government to the fact that there were suitable Indians with the necessary qualifications who could be deservedly entrusted with this duty. It was sad to note that when sometime back the said post was to be filled a non-Indian was appointed to the same. The Committee expressed the hope that the Government would be pleased to appoint a suitable Indian to the post when the next occasion arose.

132. Indianisation of the Engineering Service of the Bombay Port Trust (Vide Chamber's Report for 1927, pp. 163-184):—

The Committee have been carrying on correspondence with the Bombay Port Trust regarding the Indianisation of the various Services of the Port Trust. With regard to the Indianising of the Engineering Service of the Port Trust, the Secretary of the Port Trust forwarded to the Committee a scheme recently approved by the Board of Trustees. It provided for sending 2 Indians every year for receiving the necessary Engineering training in England and take such trained Indians in responsible positions in the Port Trust Engineering Department. Questions regarding the Indianisation of the Pilot and other connected services are still under the consideration of the Port Trust.

133. Inspectors of Factories, Steam Boilers and Mechanical Engineers :—(Vide item No. 132 of the Chamber's Report for 1927) :—

The Committee had asked for certain information regarding the names, designations, nationality and pay of the staffs of Inspection of Factories, Boiler and Smoke Nuisances Departments as they stood in 1922 and 1927, respectively. They were informed, in reply,

by the Government of Bombay that in 1922 out of permanent staff of 11 only one was Indian, whereas in 1927 out of 19 posts, 9 were held by Indians. The Committee thereupon requested their representative on the Bombay Legislative Council to get necessary information regarding the increase in those departments during the last five years.

134. Revised rules regarding Bengal Pilot Service (Vide pp. 195-197, Chamber's Report for 1927) :—

The Committee in 1927 addressed the Government of India, Commerce Department, regarding the revised rules for the appointment of candidates to the Bengal Pilot Service laying down different conditions for candidates recruited in India. The Government of India in reply recently informed the Committee that candidates for appointment both in India and in England were now required to have exactly the same professional qualifications. The Committee while approving of the revised rules, observed that the age-limit for recruitment of candidates should be increased from 22 to 24 if the candidates recruited in India were to be placed on the same footing in every way with those recruited in England.

135. Employment of Indians in higher posts in the Nasik Security Press. :—

The Committee at the instance of a member enquired of the Government of India, Department of Industries and Labour, regarding the appointments to the higher grade staff of the Government Security Press at Nasik. The information supplied by Government revealed that the total monthly salary bill of Europeans came to Rs. 14,275 : that of domiciled European and Anglo-Indians to Rs. 3,275 and that of the Indians was only Rs. 2,167, inspite of the number of the Indians being almost equal to that of the first two classes. The Committee expressed thei dissatisfaction with the glaring disparity in those appointments in the Nasik Security Press. Government in reply informed the Committee that the paucity of Indians in higher posts was due to the fact that men possessing knowledge of engineering and acquaintance with the fine printing were not at present available. The Committee thereupon enquired of Government as to the qualifications laid down

for the same, whether the European and domiciled Europeans and Anglo-Indians at present employed possessed the said qualifications; and whether the posts were advertised in India.

136. Chamber's representation on the Executive Committee of the Presidency Agricultural Show to be held in November at Ahmedabad :—

The Committee having been invited to nominate their representative on the Executive Committee of the Presidency Agricultural Show to be held in November 1928 at Ahmedabad nominated Mr. Walchand Hirachand, C.I.E., J.P. as their representative.

137. Chamber's representative on the Provincial Road Board :—

The Committee being requested by the Government of Bombay, Public Works Department to appoint their representative on the Provincial Road Board of the Government of Bombay, nominated Mr. Walchand Hirachand, C.I.E., as the Chamber's representative on the same.

133. Chamber's representative on the Bombay Improvement Committee :—

Mr. Manu Subedar was unanimously elected Chamber's representative on the Improvement Committee in place of Sir Shapurji B. Billimoria, Kt., resigned.

139. International Civil Aeronautics Conference :—

The Committee were requested by the American Trade Commissioner, Calcutta, to nominate their representative to attend the International Aeronautics Conference to be held in Washington, D.C. from 12th to 14th December 1928. They nominated Mr. S. R. Bomanji as the representative of the Chamber to attend that Conference.

140. Chamber's representation on the Advisory Committee of the Royal Institute of Science, Bombay :—

The Committee were asked by the Government of Bombay, Educational Department, to nominate their representative on the

above body for the period of 3 years from 1st January 1929. The Committee re-nominated Mr. Kapilram H. Vakil, as the representative of the Chamber on the same.

141. Regulation of Motor Horns for the City of Bombay :—

The Commissioner of Police, Bombay, invited the Committee to nominate a representative to assist him in his enquiry relating to the regulation of Motor horns. The Committee nominated Mr. L. R. Tairsee, President, as their representative.

142. Proposed establishment of a Traffic Committee for the City of Bombay, and the Chamber's representation on the same :—

The Committee were invited by the Government of Bombay to express their opinion regarding the proposed appointment of a Traffic Committee for the City of Bombay and to send their representative on that Committee. The Committee in reply stated that they approved of the proposal and nominated Mr. L. R. Tairsee, President, as the Chamber's representative on the same.

143. Extension of Public Telephone Services :—

At the suggestion of a member, the Committee addressed the Bombay Telephone Co., Ltd., emphasising the desirability of extending the system of Public Telephones to the busy and thickly populated centres like the Crawford Market, Moti Bazar, Pydhonie, Royal Opera House, Flora Fountain, etc., in the City, as also to some suburbs on the B. B. & C. I. and the G. I. P. railways like Dadar, Andheri, Byculla, Kurla, Ghatkopar, Thana, etc. The Committee were informed that at some of the places mentioned above, the public call-offices arrangements were being made.

144. Weekly Weather Report :—

The Government of Bombay informed the Committee that at present the Director General of Observatories published at Poona every Wednesday a weekly weather report, the contents of which without the rainfall maps were republished in the supplement to the Gazette of India as a weekly rainfall summary. Owing in

part to the transfer of the Meteriological Office to Poona, ten days elapsed between the publication of each weekly weather report at Poona and the re-publication of the same in the Gazette of India. Government enquired of the Committee whether in view of the fact mentioned above, they would have any objection to the elimination of the summary from the Gazette of India. The Committee in reply informed Government that they had no objection to the proposed discontinuance of the weekly summary of weather reports in the Gazette of India.

145. Controlling of speed limit of motor vehicles outside cities and towns :—

The attention of the Committee was drawn by a member to the growing danger to life of the people due to the rash driving of motor vehicles outside cities and towns in the Bombay Presidency. The Committee, thereupon enquired of the Government of Bombay whether there were any rules and regulations for controlling the speed limit of motor vehicle outside cities and towns. In reply Government informed the Committee that the matter was having their attention.

146. Civil Aviation Scheme for the Bombay Presidency :—

At the instance of a member, the Committee enquired of the Government of Bombay whether any scheme regarding civil aviation was formulated, or was under consideration for the Bombay Presidency. Government in reply informed the Committee that there was no scheme formulated or under consideration for the civil aviation.

147. Lotteries in Indian States and foreign States outside British India :—

The Committee addressed the Government of India on the question of lotteries being set up in foreign States as well as in Indian States outside British India. They could not understand how, what was considered objectionable on the part of the British subject in British India became permissible when done on behalf of lotteries started outside India. The Committee in conclusion requested

the Government to be pleased to consider the subject and devise some means that would put a stop to activities of a kind which were rightly tabooed in British India.

148. Indian Soldiers' Training Scheme :—

The Committee were informed by the Staff Captain, Vocational Training, Southern and Western Commands, India Headquarters, Bombay District, Bombay that a scheme had been prepared to provide facilities for vocational and technical training to more Indian soldiers who on transfer to the Reserve after 5 years's colour service would very likely find it difficult to earn their livelihood. They were requested to help the scheme as far as possible. The Committee therefore requested their members who were interested in motor-mechanics, engineering, and other technical trades to materially help the same by co-operating with the authorities in every possible way.

149. Declaration of Jain Samwatsari as a public holiday :—

The Bombay Shroff Association requested the Committee to support its representation to the Government of Bombay regarding the declaration of Tuesday the 18th September 1928 as a separate public holiday under the Negotiable Instruments Act, because the Jain Samwatsari this year happened to fall on a day other than the Ganesh Chaturthi. In view of the fact that such a coincidence very rarely occurred the Committee addressed Government supporting the request of the Bombay Shroff Association. The Government of Bombay afterwards declared Tuesday the 18th September 1928 as a separate public holiday under the Negotiable Instruments Act on account of Samwatsari.

150. Cocoanut Holiday :—

The opinion of the Committee was invited by the Finance Department of the Government of Bombay on the question whether the Cocoanut Day should be observed on 30th August 1928 or 31st August 1928. The Committee in reply informed the Government that the Cocoanut Day fell on Friday the 31st August 1928 and the holiday therefore, should be fixed on that day.

151. Public complaint re, getting of Postal stamps from the Post Offices:—

At the instance of a member, the Committee addressed the Postmaster General, Bombay, regarding the difficulties experienced by the public in getting postal stamps from the various post offices in the City. They pointed out that the different post offices of the city transacted business only for a limited number of hours during the day with the result that the public found it extremely difficult to obtain postal stamps outside the working hours. The public therefore were obliged to get postal stamps from *bidiwallas*, *Iranis* etc. and had to pay 25% more for the same. They, therefore, suggested that provision should be made for vending postal stamps at various restaurants etc. of the city without charging any extra price for the same. The Committee also suggested that automatic machines should be installed in prominent places so that the public could get stamps by placing the necessary coins in the slots of the machines. With regard to one-anna commercial size envelopes the Committee observed that the same were not frequently available from the post offices. They therefore suggested that these envelopes should be kept in good stocks so that the public might get them whenever required. The Postmaster General in reply informed the Committee that the hours of working in various Post Offices of the City were sufficiently long and had been fixed with due regard to public convenience. As regards the suggestion to instal automatic machines for the sale of stamps, he informed them that the question was examined two years ago but had to be dropped. As regards the inadequate supply of one-anna commercial envelopes, the matter was under examination by the Director General of Posts and Telegraphs.

152. Gujarati edition of the Bombay Telephone Directory :—

At the instance of a member, the Committee asked their representative of the Board of Directors of the Bombay Telephone Co., Ltd., to request the Company to issue a Gujarati edition of the Telephone Directory also for those subscribers who required the same. The Company informed the Committee that they had decided to print the Gujarati edition also as desired by the Committee and

Gujarati copies would be supplied to those who wanted them. The Committee thereupon requested the Company to keep both English and Gujarati editions of the Directory in good stock and sell copies at a moderate price if required.

153. Portrait of the Honourable Sir Munmohundas Ramji, Kt., in the Committee Hall of the Chamber :—

The Committee resolved to get a portrait of the Honourable Sir Manmohundas Ramji, Kt., prepared at a cost of Rs. 900/- to be placed in theCommittee Hall in recognition of distinguished services rendered by him to the Chamber from its very establishment. Sir Shapurji B. Billimoria, Kt., M.B.E., President of the Chamber, unveiled the Portrait in the Committee Hall of the Chamber on Wednesday, the 14th March 1928, before a large gathering of members of the Chamber and some distinguished guests.

154. Knighthood conferred on—

(1) Sir Shapurji B. Billimoria, Kt., M.B.E.,
and
(2) Sir Byramjee Jeejeebhoy, Kt.

The Committee congratulated Sir Shapurji B. Billimoria, Kt., M.B.E., and Sir Byramjee Jeejeebhoy, Kt., on the honour of Knighthood conferred on them by His Majesty the King Emperor in the New Year's Honours.

155. C. I. E. conferred on Mr. Walchand Hirachand :—

The Committee congratulated Mr. Walchand Hirachand, C.I.E., J.P., on the honour of Companion of the Order of the Indian Empire conferred on him by His Majesty the King Emperor in the New Year's Honours.

156. K. C. S. I. conferred on the Hon'ble Sir Chunilal V. Mehta :—

The Committee congratulated the Hon'ble Sir Chunilal V. Mehta, Finance Member of the Government of Bombay, on the distinguished honour of Knight Commander of the Order of the Star of India conferred on him by His Majesty the King Emperor in the New Year's Honours.

157. Congratulations to Mr. K. F. Nariman on his success in the Harvey-Nariman Libel Case :—

The Committee appreciated the services rendered by Mr. K. F. Nariman in exposing the methods of the Development Department of the Government of Bombay in the recent Harvey-Nariman Libel Case.

158. Death of Lord Sinha :—

The Committee offered their heartfelt condolences to Lady Sinha and her family on the sad death of Lord Sinha, who was one of the distinguished sons of the country.

159. Death of Sir Currimbhoy Ebrahim Baronet :—

The Committee addressed letters of condolences to Sir Fazulbhoy Currimbhoy and Mr. Huseinbhoy Mahomedbhoy, son of Sir Currimbhoy Ebrahim, on the sad death of Sir Currimbhoy Ebrahim, Bart. Sir Currimbhoy, they observed was their member and a leading businessman and industrialist. They further observed that Bombay had lost a distinguished businessman and citizen in the death of Sir Currimbhoy Ebrahim.

160. Death of Mr. Harilal D. Jasani :—

The Committee expressed their deep sorrow on the sad and sudden death of Mr. Harilal D. Jasani, who was their member for the last few years, and conveyed their condolences to the family of the deceased. They also placed on record their appreciation of useful services rendered by him to them during his period of membership.

161. Death of Lala Lajpatrai :—

The Committee sent a telegram to the family of Lalaji expressing their profound sorrow at the sad death of Lala Lajpatrai, a leading patriot and social reformer. The Office of the Chamber was also kept closed on Monday the 19th November 1928 as a mark of mourning.

162. Membership of the Chamber :—

There were at the end of the last year 440 members. During this year 41 have joined, and 16 have discontinued their

membership (out of whom 8 resigned, the names of 3 were struck off the list under the rules of the Chamber on account of their subscriptions having remained in arrears for more than one year; 2 have closed their business; and 3 members have died), leaving at the end of the year 465 members.

163. Balance Sheet:

The Balance Sheet of the Chamber audited by the Chambers' Auditors, Messrs. Devidas Vithaldas and Co., is appended herewith.

THE INDIAN MERCHANTS' CHAMBER.

Dr. *Receipts and Payments Account from 1st January 1928 to 31st December 1928.* **Cr.**

RECEIPTS.

	Rs.	a.	p.	Rs.	a.	p.
To Balance brought forward (as per last year's Balance Sheet)				28,839	10	11
„ **Capital Fund Account :—**						
41 New Members @ Rs. 100 each	4,100	0	0			
Payment received in advance of 3 new members @ Rs. 100 each	300	0	0			
	4,400	0	0			
Less Payment received last year of 4 members at Rs. 100 each 400 0 0						
Less admission fee of 1 Member exempted @ Rs. 100 .. 100 0 0						
	500	0	0			
				3,900	0	0
„ **Membership Subscription :—**						
370 Resident Members @ Rs. 75.	27,750	0	0			
43 Limited Companies @ Rs. 100	4,300	0	0			
38 Mofussil Members @ Rs. 25 ..	900	0	0			
17 Association Members @ Rs. 125	2,125	0	0			
Outstandings realised	2,750	0	0			
	37,825	0	0			

PAYMENTS.

	Rs.	a.	p.
By Office Establishment, Rent & Insurance ..	25,306	5	9
„ Telephone Rent	370	0	0
„ Postage & Telegrams	1,223	5	6
„ Miscellaneous charges	228	5	9
„ Subscriptions to News-papers & Journals, etc.	1,191	0	4
„ Stationery	1,626	4	0
„ Printing Chamber's Reports & Representations	2,640	2	0
„ Printing Chamber's Journal	1,642	0	0
„ Commission on Advertisements	89	3	0
„ Carriage hire	229	10	0
„ Chairs hire	122	0	0
„ Auditors' honorarium	100	0	0
„ Furniture & fittings	140	0	0
„ Bank Commission	1	10	0
„ Membership subscription to the Federation of Indian Chambers of Commerce ..	150	0	0
„ Cost of books on Economics, Currency & Exchange (from surplus of Sir Purshotamdas Entertainment Fund)	67	3	0
„ Commercial Examinations (including capital expenditure as printing charges for question papers & syllabus	545	9	0
„ Cost of Hon'ble Sir Munmohandas Ramji's Portrait	950	0	0
„ Travelling expenses	428	8	0
„ Contribution to Indian Chamber of Commerce in Great Britain (Guinea one) ..	14	8	0

		Rs. a. p.							
Less subscriptions outstanding		2,225 0 0							
Less last year's bad debts (5 members @ Rs. 75 each) ..		375 0 0							
Less subscriptions received last year of 5 members		300 0 0							
			2,900	0	0	34,925	0	0	
Payment received in advance of 4 members (2 @ Rs. 75 each and 1 @ Rs. 125 and 1 @ Rs. 25) ..						300	0	0	
„ Subscriptions to Chamber's Journal						219	0	0	
„ Advertisements in Chamber's Journal						649	8	0	
„ Advertisements in Syllabus (2 Edition)						85	0	0	
„ Fees for issuing Certificates of Origin						430	0	0	
„ Fees for Commercial Examinations						879	0	0	
„ Donation						976	0	0	
„ Interests on investments & Current Accounts ..						1,097	10	0	
„ Sale Proceeds of Members' Lists						80	0	0	
„ Sale Proceeds of Syllabus (Com. Exams.)						16	12	0	
„ Sale Proceeds of Q. Papers (Com. Exams.) ..						22	8	0	
„ Sale Proceeds Annual Reports						5	0	0	
„ Sale Proceeds Old Newspapers, etc...						9	0	0	
		Total Rs.				72,464	0	11	

„ Upkeep of Library								41	10	0
„ Books binding								113	0	0
								37,220	4	4
„ **Capital Fund :—**										
					Rs.	a.	p.			
Investments as under :										
			Rs.							
5% Govt. Loan (1945-55)			5,425							
In c/a with Central Bank of India ..			9,975							
					15,400	0	0			
„ **Other Investments & Cash in Bank :—**										
		Rs.	a.	p.						
4% Port Trust Bonds ..		2,025	0	0						
6½% Development Loan ..		5,000	0	0						
In c/a with Central Bank .		5,000	2	8						
In c/a with Bank of India .		7,666	8	11						
Cash in hand ..		152	1	0						
					19,843	12	7			
								35,243	12	7
				Total Rs. ..				72,464	0	11

We have examined the above account of Receipts and Payments with books and Vouchers of the Indian Merchants' Chamber and certify the same to be correct.

DEVIDAS VITHALDAS & Co.,
Auditors.

J. K. MEHTA,
Secretary.

LAKHMIDAS ROWJEE TAIRSEE,
President.

(1) RAILWAYS AND SHIPPING.

(A) RAILWAYS.

APPENDIX I.

EXTENSION OF COUPON CONCESSION TICKET SYSTEM TO COMMERCIAL TRAVELLERS ON ALL INDIAN RAILWAYS.

(Vide pp. 638-640 Chamber's Report for 1927.)

No. 409, dated 10th February 1928.

From Chamber to the Secretary, Railway Board, New Delhi.

With reference to the correspondence ending with your letter No. 17-T., dated the 20th June 1927, on the above, I am directed by the Committee of this Chamber to bring to your notice the following facts for favourable consideration.

The Railway Board must, no doubt, be aware by this time of the fairly good success of the facilities recently provided by some of the Railway authorities to the 1st and 2nd class commercial travellers by issuing mileage coupon tickets to them for journeys of 3,000 miles on some lower fares than the ordinary fares. My Committee understand that the G. I. P., B. N., E. I., and N. W. Railways now are issuing such tickets while the M. & S. M. Railway issue only 1st class coupon tickets. But some of the railways like the B. B. & C. I. and N. G. S. Railways as well as the Jodhpur Railway have not yet seen their way to introduce the system inspite of the repeated requests from the commercial community. My Committee believe that the Railways will not lose anything in their revenues by such facilities, but, on the contrary, the traffic will increase, thus bringing in more

revenues to their coffers. In view of the fact that the system has been so well received by the commercial community and some of the big railways, the Government should now take up the matter and urge those railway authorities who have not yet fallen in line with the G. I. P. and other Railways to introduce the system under reference, at an early date. It is needless to point out in this connection that unless the system has been adopted by all the principal Railways (both State and Private) of India, the commercial community cannot possibly avail themselves fully of the same, which ultimately may prove disadvantageous to the Railways themselves. In conclusion, I am directed to express the hope that the Government will be pleased to do the needful in the matter.

Hoping to receive an early reply.

From the Government of India Railway Department to Chamber.

No. 17—T. dated New Delhi, the 16th February 1928.

I am directed to acknowledge the receipt of your letter No. 409, dated the 10th February 1928, on the above subject, and to state that a copy thereof has been communicated to the Agent, Bombay, Baroda and Central India Railway and the Manager, Jodhpur Railway, for consideration.

2. I am to add that the system of issuing 1st class mileage coupon tickets to mercantile firms was introduced on H. E. H. the Nizam's Guaranteed State Railways with effect from the 1st June 1926.

No. 398, dated 9th February 1928.

From Chamber to the Agent, Jodhpur Railway, Jodhpur.

You are no doubt aware of the recent introduction of the system of issuing of 1st class mileage tickets to commercial travellers for journey of 3,000 miles on the G. I. P. and M. & S. . . Railways. The system has been much appreciated by the commercial public and it is being gradually extended for journeys over other lines in local and through booking. This system has

been so well received on the G. I. P. and other Railways that their authorities have very recently approved of its introduction for second class passengers as well on identically the same terms as for 1st class passengers. Representatives of the Indian mercantile community usually travel second class and such facilities really supply a long-felt want to them. The fact that the G. I. P. and other Railway authorities have extended the facilities to second class passengers in such a short period shows the great possibilities of the system if introduced on other lines also. It is believed that the Railways will not lose anything in their revenues by such facilities, but, on the contrary, the traffic will increase thus bringing in more revenues to their coffers.

In view of the facts above-mentioned, my Committee hope that you will be pleased to accord similar facilities, *i. e.*, 1st and 2nd class coupon tickets to commercial travellers on your Railway.

No. 399, dated 9th February 1928.

From Chamber to the Agent, Bombay, Baroda & Central India Railway, Bombay.

I am directed to invite your attention to this office letter No. G. 787, dated the 20th April 1927, to which no reply save an acknowledgment has so far been received. The B.B. & C.I. Railway authorities must, no doubt, be aware of the fact that the system of issuing 1st and 2nd class mileage coupon tickets to commercial travellers introduced recently by the G.I.P., E.I., B.N. and N.W. Railways has been much appreciated by the commercial public. In order to enable the commercial community to fully avail of this system which is advantageous both to them and the Railways, it should be adopted by all the principal Railways of the country.

In view of the facts above mentioned, my Committee hope that the B. B. & C. I. Railway authorities will be pleased to introduce the system under reference on their Railway at an early date.

No. 81-T. 19-26, dated the 12th March 1928.

From the Jodhpur Railway to Chamber.

With reference to your letter No. 398, dated 9th February 1928, I beg to inform you that it has been proposed to introduce on this Railway Mileage Coupon books each containing 298 coupons for 3,000 miles as under for purchase of 1st class tickets by mercantile firms at a concession rate of 15 pies per mile under the same terms and conditions as laid down in Rule 85 (D) page 29 of N. W. Railway Coaching Tariff Part I No. 88.

28	coupons	of	50	miles	each	..	..	1,400	Miles.
20	,,	,,	25	,,	,,	..	..	500	,,
50	,,	,,	10	,,	,,	..	..	500	,,
100	,,	,,	5	,,	,,	..	..	500	,,
100	,,	,,	1	,,	,,	..	..	100	,,
298	.						Total	3,000	

The cost per book will be Rs. 234/6/-

I have asked the following Railways if they would agree to accept these coupons issued by us in their railways as has been done with the N. W. Railways and on hearing from them I will issue necessary instruction to our staff.

N.W., E.I., G.I.P., M. & S.M., N.G.S., & S. I., Railways.

No. 796, dated 22nd March 1928.

From Chamber to the Jodhpur Railway, Jodhpur.

With reference to your letter No. 81. T. 19/26, dated 12th March 1928, my Committee are glad to note that you have been pleased to introduce on your Railway the mileage coupon books to representatives of mercantile firms travelling by 1st class at a concession rate of 15 pies per mile. This system has been so well received on the G. I. P. and other Railways that their authorities have recently extended the system to Second class passengers also. My Committee desire to emphasise the fact that the representatives of the Indian commercial community usually travel second class and such facilities really supply a long-felt want to them.

I am, therefore, directed by my Committee to request you to be good enough to extend this facility to Second class travellers also, so as to enable the Indian commercial community to take full advantage of the system.

No. 81. T. 19/34, dated, Jodhpur, 2nd April 1928.

JODHPUR RAILWAY.

From the Deputy Manager (Traffic) Jodhpur Railway to the Chamber.

With reference to your No. 796, dated the 22nd ultimo, I regret that it will not be possible for second class mileage coupon books to be issued over this railway at present.

However, I have pleasure in informing you that it is now proposed to introduce eight monthly return tickets over this railway on similar terms to those issued by the N. W. Railway. Details have not yet been arranged but I trust the scheme will be in operation by 1st May.

APPENDIX 2.

CHAMBER'S REPRESENTATION ON THE G I. P. RAILWAY LOCAL ADVISORY COMMITTEE.

No. 12527. K—99 dated 8 May, 1928.

From G. I. P. Railway Local Advisory Committee, Bombay to Chamber.

Under Rule 9 of the Rules and Constitution of the above mentioned Committee, the tenure of office of the existing members of the Committee will expire with the meeting of 10th May 1928, and it will be necessary to elect a new Committee to serve for a period of two years with effect from the meeting for the month of June which will probably be held on the 7th of that month.

2. I shall be obliged if you will kindly arrange to elect a member to represent your Chamber on the new Committee and advise me early.

No. 1193, dated, 16th May 1928.

From Chamber to the Secretary, G. I. P. Railway Local Advisory Committee Bombay.

With reference to your letter of the 8th May 1928, No. 12527. K.99, I am directed to inform you that my Committee have re-nominated the Honourable Sir Phiroze C. Sethna, Kt., O. B. E., as the Chamber's representative on the new Advisory Committee of your Railway for a further period of two years, as desired by you therein.

From the Hon'ble Sir Phiroze C. Sethna, Kt., to Chamber.

I thank you for a copy of your letter to the G. I. P. Rly. Committee intimating that the Chamber has been pleased to renominate me on the Advisory Committee for a further period of two years.

Will you be good enough to convey my appreciation to the Members of the Committee for the confidence they have reposed in me and you may assure them that I will continue to look after the interests of the Chamber and its Members as best as I can on that Committee.

APPENDIX 3.

CHAMBER'S REPRESENTATION ON THE COMMERCIAL PANEL OF THE RAILWAY RATES ADVISORY COMMITTEE.

From the Government of India, Railway Department, to Chamber.

No. 1679—T. dated Simla, the 26th October 1928.

With reference to the correspondence ending with your letter No. G. 2260, dated 13th October 1927, I am directed to state that a revised list showing names and addresses of the commercial representatives for service on the commercial panel of the Railway Rates Advisory Committee will be published shortly in the Gazette of India and to request that the Railway

Board may be furnished with any alteration to be made in the list of members representing your Chamber, by November 15th.

2. I am to add that as it is the intention of the Board to publish a revised list annually, information regarding changes in the list should, in future, be communicated by you to this office by the 15th of October every year. In the event of no intimation being received from you it will be assumed in future that the list of your representatives is correct.

3. Please acknowledge receipt of this letter, at the same time notifying any changes in the present list.

No. 2514, dated 8th November 1928.

From Chamber to the Secretary, Railway Board, Delhi.

With reference to your letter No. 1679-T., dated 26th October 1928, I am directed to inform you that there is no alteration in the names of the representatives of this Chamber on the commercial panel of the Railway Rates Advisory Committee. The following gentlemen will, therefore, represent this Chamber on the same:—

1. Sir Purshotamdas Thakurdas, Kt., C.I.E., M.B.E., M.L.A., Navsari Chambers, Outram Road, Fort, Bombay.
2. The Hon'ble Sir Phiroze C. Sethna, Kt., O.B.E., Canada Building, Hornby Road, Fort, Bombay.
3. The Hon'ble Sir Munmohundas Ramji, Kt., Shustary Bldg., Elphinstone Circle, Fort, Bombay.
4. Mr. Manu Subedar, Kodak House, Hornby Road, Fort, Bombay.
5. Mr. Kapilram H. Vakil, Navsari Buildings, Hornby Road, Fort, Bombay.

APPENDIX 4.

ACCELERATION OF BOMBAY-MADRAS MAIL SERVICE (VIDE CHAMBER'S REPORT FOR 1927 p. 122).

No. 2398, dated 24th October 1928.

From Chamber to the Hon'ble Sir Phiroze C. Sethna, Kt., O.B.E., Bombay.

I am forwarding herewith a copy of a letter received from Khan Bahadur P. E. Ghamat on the above subject, for your information and such action as may commend itself to you.

Bombay, dated 17th October 1928.

Copy of letter from Khan Bahadur P. E. Ghamat.

With reference to the copy of the Hon. Sir Phiroze Sethna's letter, dated the 10th November 1927, in which the Agent of the G. I. P. Railway had expressed a hope to be able to reduce the time of journey to about 25 to 26 hours and to give effect to the change from April 1928, as nothing has been done yet, although two time-tables were out since, will you please ascertain when we may expect the revision.

If the combined Railways are unable to curtail the timings to 26 hours for the present, they may be pursuaded to do the distance in 27½ to 28 hours the most, rather than keep waiting till the re-laying of trucks on the Madras Railway Section is completed.

I am sending an extra copy of this letter to enable you to forward it to the Hon. Sir Phiroze C. Sethna.

No. 2397, dated 24th October 1928.

From Chamber to Khan Bahadur P. E. Ghamat, Bombay.

With reference to your letter of the 17th instant, I have to inform you that a copy of the same has been forwarded to the Hon'ble Sir Phiroze C. Sethna, Kt., O. B. E., the Chamber's

representative on the Local Advisory Committee of the G. I. P. Railway for information and necessary action.

Bombay, dated 2nd November 1928.

From the Hon'ble Sir Phiroze C. Sethna to Chamber.

In regard to the acceleration of time of mail going from Bombay to Madras I was informed at the Committee meeting yesterday in reply to my enquiry t at they were not able to give effect to any change as anticipated in April last because at that time the larger locomotives had not arrived. These have come but now the trouble is that the bridges between Raichur and Madras are not sufficiently strong for the heavier weight. The M. & S. M. Railway are attending to the strengthening of these bridges and they believe that they cannot possibly accelerate earlier than June 1929.

The G. I. P. recognise the inconvenience caused to the public. They on their part are quite prepared to accelerate the speed on the G. I. P. line but that would be of on use unless the M. & S. M. can co-operate.

No. 2518, dated 8th November 1928.

From Chamber to Khan Bahadur P. E. Ghamat, Bombay.

I am sending to you herewith a copy of a letter received from the Hon'ble Sir Phiroze C. Sethna, Kt., O.B.E., representative of this Chamber on the local Advisory Committee of the G. I. P. Railway. I am further to state that in view of this letter, my Committee have resolved that it would not be advisable to pursue the matter any further at present.

APPENDIX 5.

REPRESENTATION OF INDIAN COMMERCIAL COMMUNITY ON THE M. & S. M. RAILWAY BRANCH ADVISORY COMMITTEE AT HUBLI.

No. 2041, dated 11th September 1928.

From Chamber to the Agent, Madras & Southern Mahratta Railway Company, Madras.

The Committee of this Chamber will be obliged if you will be good enough to supply them with the names of the persons constituting the Local Advisory Committee of your Railway.

No. T. 6656/1/D/II, dated 19th September 1928.

From The Agent the Madras & Southern Mahratta Railway Co., Ltd. to Chamber.

With reference to your letter No, 2041, dated the 11th September 1928, I forward herewith a list of members constituting the M. & S. M. Railway main and Branch Advisory Committees at Madras and Hubli.

THE MADRAS & SOUTHERN MAHRATTA RAILWAY CO., LTD.
(Incorporated in England).

Members of the M. & S. M. Railway Local Advisory Committee at Madras.

1. The Director of Industries, Madras.
2. M. R. Ry. K. Parthasarathy Aiyengar, Avl., B,A., L.T., 17-A, Brodies Road, Mylapore, Madras.
3. Khan Bahadur Abdul Aziz Khan, Agent, Mysore Railways, Mysore.
4. M. R. Ry. Diwan Bahadur G. Narayanaswami Chetty Garu, "Gopathy Villa," San Thome, Madras.

5. M. R. Ry. A. R. Duraiswami Aiyengar, Avl.,
   315, Lingha Chetty Street, Madras.
6. M. R. Ry. Diwan Bahadur P. Ethirajalu Naidu Garu,
   M. L. C., Guntur.
7. Mr. Abdul Hamid Khan, M. L. C.,
   c/o "Swarajya," 40, Broadway, Madras.
8. Sir James Simpson, Kt,
   Messrs. Gordon Woodroffe & Co.,
   (Madras), Ltd., Madras.
9. The General Traffic Manager, M. & S. M. Railway,
   Madras.

Members of the M. & S. M. Railway Branch Advisory Committee for the Bombay Presidency.

1. Sir Vasantrao A. Dabholkar, Kt., C.B.E., M.L.C.,
   "Anand Mahal," Chaupaty, Bombay.
2. D. A. Janvekar, Esq., M.L.C., Bijapur.
3. Rao Bahadur S. T. Kambli, M.L.C., Hubli.
4. S. T. Patil, Esq., B.A., LL.B.,
   c/o District Local Board's Office, Bijapur.
5. Dwarkanath Ganesh Vaingankar, Esq., B.A., B.E.,
   Executive Engineer, Kolhapur State, Kolhapur.
6. P. R. Chikodi, Esq., B.A., M.L.C., Shetti Galli, Belgaum.

No. 2144, dated 24th September 1928.

From Chamber to the Agent, The Madras & Southern Mahratta Railway Co., Ltd.

I am directed to acknowledge, with thanks receipt of your letter No. T. 6656/1/D/11, dated 19th September 1928, regarding the above. My Committee will be obliged if you will be good enough to inform them whether the Indian commercial community is represented on your Madras Advisory Committee as well as the Branch Advisory Committee for the Bombay.

No. T. 6656/1/D/II, dated 3rd October 1928.

From the Agent, the Madras & Southern Mahratta Railway Co., Ltd. to Chamber.

With reference to your letter No. 2144, dated 24th September 1928, on the M. & S. M. Railway Local Advisory Committee at Madras, M. R. Ry. A. R. Duraiswami Ayyengar, 315, Lingha Chetty Street, Madras, who was elected to the Committee by the Southern India Chamber of Commerce, Madras, represents the Indian Mercantile Community. On the Branch Advisory Committee neither the European nor the Indian Mercantile Community have a representative.

In this connection, it is pointed out that the rules of the Branch Advisory Committee, which were framed in consultation and with the approval of the Government of Bombay, do not provide for such representation.

No. 2463, dated 31st October 1928.

From Chamber to the Government of Bombay, General Department, Bombay.

The attention of the Committee of this Chamber has been recently drawn to the fact that the rules of the Branch Advisory Committee (at Hubli of the Madras & Southern Mahratta Railway, which were framed in consultation with and with the approval of the Government of Bombay, do not provide for representation of the commercial community on the same. The principle of representation of the commercial community on Local Advisory Committee of Railways has been recognised, and has proved in practice very useful. It is, therefore, surprising to find that this principle has not been acted upon in connection with the formation of the Hubli Branch Advisory Committee of that Railway. If the commercial community is given the privilege of sending its representatives on the principal Local Advisory Committees of the M.S.M. Railway, there does not appear to be any valid reason why the same privilege should be denied with regard to the Branch Advisory Committee. The representative of the

commercial community on the principal Advisory Committee provides naturally for Madras commercial interests. The M. S. M. Railway, however passes through a large portion of the Bombay Presidency, a portion which like Hubli is largely commercial. My Committee are, therefore, of opinion that Indian commercial opinion should be represented on the Hubli Branch Advisory Committee of the M. S. M. Railway.

APPENDIX 6.

RAILWAY RISK NOTE FORM "A"—COMPLAINT OF MESSRS. MAGANBHAI AMIN & CO.

No. 1956, dated 25th August 1928.

From Chamber to the General Traffic Manager, B. B. & C. I. Railway, Bombay.

The attention of the Committee of this Chamber has been drawn to the correspondence between Messrs. Maganbhai Amin & Co., one of their members, and the Goods Agent, B. B. and C. I. Railway, regarding Railway Receipt No. B/17-40918 for 30 bags of White Dextrine despatched for Indore. My Committee are sorry to observe that the Railway authorities refuse to accept any consignment of bags, however well-packed in either sound or even new bags, without a risk note and pass any remarks they like on the Railway Receipts. It is the unfortunate experience of a large number of our members that when they complain about such remarks, the railway authorities take shelter under Risk Note Forms, and give evasive replies as in the case under reference. My Committee will be obliged if you will be good enough to inform them as to why the commercial community are unnecessarily put to a good deal of inconvenience and trouble in the manner described above. It is, therefore, hoped that you will kindly issue immediate instructions to your Staff not to insist on execution of Risk Notes in each and every case and after having got the same executed not to make unnecessary remarks on the same.

Hoping to receive an early favourable reply.

No. C.D. 9179 Bombay 28th September 1928.

From the General Traffic Manager, B. B. & C. I. Railway to Chamber.

With reference to the complaint of Messrs. Maganbhai, Amin & Co., against the staff at Carnac Bridge Depot, I beg to inform you that I have had enquiries made and find that only 3 bags out of 30 tendered for despatch were in torn condition and contents dropping, and all the 30 bags were in wet state, and, the senders were, therefore, asked to execute a Risk Note on Form 'A'.

The statement made in your letter that the Railway Authorities refuse to accept any consignment of bags, however well-packed in either sound or even new bags, without a Risk Note, etc., is not correct.

My enquiries show that a Risk Note is only demanded, when the condition of a consignment warrants its execution.

In case of any difference of opinion between the Railway Staff and merchants in respect to execution of Risk Notes, I would suggest that the latter should personally see the Goods Agent, who will put the matter right.

From Maganbhai Amin & Co. to Chamber.

Bombay, 4th October 1928.

We are in receipt of your letter No. 2227 of 2nd instant, enclosing copy of a letter received by you from the Ag. General Traffic Manager, B. B. & C. I. Railway and thank you for the same.

With reference to 2nd para of his letter, we would only say that we are prepared to prove from our records that not a single consignment has ever been accepted by them without a risk note. Does it, therefore, mean that the condition of every consignment was such as warranted execution of Risk Note ? The remedy suggested in the third para of his letter is impracticable as the goods are always taken for despatch by merchants' coolies or sent to muccadams for the purpose. The merchants, themselves, cannot go there personally and dispute the opinion of the clerk in

charge; while the coolies and muccadams are too ignorant to make use of the suggested remedy, also because they would not like to displease the clerk in charge as they have to deal with him daily. Under the circumstances the state of affairs will continue as heretofore.

We suggest that on a future occasion when we have to despatch a consignment to Carnac Bridge you may arrange to send your representative with our man and he will report to you the whole matter in respect of executing Risk Notes. We would, take particular care to see that all the bags are sent in perfectly sound condition. We would like to hear from you whether it is possible for you to arrange as requested.

Thanking you in anticipation.

No. 2309 dated 11th October 1928.

From Chamber to Messrs. Maganbhai Amin & Company.

I am directed to acknowledge receipt of your letter of the 4th instant. My Committee have considered your suggestion and will be glad to depute the Secretary of the Chamber to see for himself as to how the risk notes, are asked to be executed, even when bags are in a normal condition.

You will therefore kindly let me know when you require my presence.

Bombay 12th October 1928.

From Messrs. Maganbhai Amin & Co. to Chamber.

We are in receipt of your communication No. 2309 dated the 11th instant and note with thanks that your Committee have considered our suggestion and will be glad to depute the Secretary of the Chamber to see for himself how the risk notes are executed.

When we send our next consignment to Carnac Bridge we shall let you know the date and time, so that you can arrange to send your Secretary accordingly.

We again thank you for your letter.

APPENDIX 7.

RAILWAY RISK NOTE FORM "A" FOR MILITARY CONSIGNMENTS—ENQUIRY FROM THE DIRECTOR OF CONTRACTS, SIMLA.

No. 3532-F, Simla, the 10th October 1928.

From the Director of Contracts to Chamber.

I am to address you on the subject of execution of Risk Note Form "A" for goods tendered for despatch by rail. As you are already aware Risk Note Form "A" is taken by a railway in order to relieve itself, except in cases of proved misconduct on its part, of all responsibility for condition and loss of consignments which are, at the time of their acceptance by the railway for carriage, either in a bad condition or are so defectively packed as to be liable to damage, leakage or wastage in transit. This is eminently a reasonable safeguard which a prudent carrier would take to protect himself and to which no consignor could take legitimate objection.

2. Special packing conditions are laid down in chapter IV of the publication titled "Indian Railways'' "General Classification of Goods'' for such articles in chapter II ibid against which the symbols given in chapter IV are placed. In the event of any of these articles not being packed according to the specified conditions the railway concerned at the time of accepting them for carriage may also be justified in demanding Risk Note Form "A".

3. The Embarkation Supply Officer, Calcutta, has however represented that the Traffic Manager, Port Commissioners, Calcutta, demands Risk Note Form "A" for despatches of rice, sugar and other bagged articles which are packed in single gunnies. Although no specific conditions of packing are laid down for such articles the Traffic Manager in support of his demand states that experience has shown that imported rice and sugar packed in single gunnies are liable to wastage in transit through

seams and the holes made by dog hooks in ocean transport, if such is the case then the Railway Rules should include special instructions for the packing of bagged Food supplies, but until this is done there does not appear to be any authority for insistence upon the use of Risk Note "A".

It was pointed out to that officer that all military stores carried at vehicle rates or at the rates of. 38 pie per maund per mile are sent at Government risk and for such despatches Risk Note "B" is executed to safeguard the railway from any liability for wastage in transit through the seams and holes made by dog hooks; and the execution of Risk Note "A" was not therefore necessary.

The Traffic Manager, Port Commissioners, Calcutta, however holds that he must continue to take Risk Note "A" for military consignments of *rice, pulses and grains.*

4. It is proposed to place the matter before the Railway Board for favour of a ruling, but before this is done will you kindly let me know the manner in which the articles in question are packed by the Trade for despatch and whether Risk Note Form "A" is demanded in similar circumstances.

No. 2586, dated 14th November 1928.

From Chamber to the Director of Contracts, Army Headquarters, India, Simla.

With reference to your letter No. 3532-F, dated 10th October 1928, re: above, I am directed to inform that the articles in question are packed by the Trade here for despatch in new single gunnies; and Railway Risk Note Form "A" is generally demanded for the same. Risk Note Form "A" is, however, not demanded if the articles are despatched in double packing.

The question raised by you is one of the moot questions that the commercial community are discussing with the various railway authorities for the last so many years, and my Committee are glad to note that you propose to place the matter before the Railway Board for favour of a ruling.

No. 3532 F/I Simla, the 26th November 1928.

From the Director of Contracts to Chamber.

I am to acknowledge receipt of your letter No. 2586 of 15—11—'28, and to thank you for the trouble you have taken in furnishing the information.

APPENDIX 8.

REWEIGHMENT OF GOODS AT DESTINATION. (*Vide* pp. 105-107 CHAMBER'S REPORT FOR 1927.)

No. 1874 T. Dated 28th July 1928.

From the Government of India Railway Department to Chamber.

With reference to the correspondence ending with this office letter No. 1874 T, dated the 22nd October 1927, I am directed to say that the Railway Board are advised that Railways are not under any legal obligation to reweigh consignments.

2. As regards the decision of the Judicial Commissioner, Nagpur, referred to in para 3 of your letter No. G. 1521 of the 26th July 1927, I am to say that the Additional Judicial Commissioner in his review of the case (vide order on civil review application No. 88 B/26) states that it was not his intention to lay down that the Railway Company was under a legal obligation, under all circumstances to reweigh goods at the will of the customer.

3. As regards the concluding portion of your letter No. G. 1521, dated 26th July 1927 I am to say that though the position of the Railway in the matter is as explained in para. 1 above, it is understood that they do not, as a rule in all cases, enforce their right to refuse reweighment.

No. 1863 dated 15th August 1928.

From Chamber to the Government of India, Railway Department, Simla.

With reference to your letter No. 1874-T, dated 20th July 1928, my Committee will feel obliged if you will be good enough

to send a copy of the Additional Judicial Commissioner's review of the case (vide order on civil review application No. 88-B/26), referred to there, for these information.

No. 1874-T, dated 23rd August 1928.

From the Government of India Railway Department to Chamber

With reference to your letter No. 1863, dated the 15th August 1928, I am directed to forward herewith a copy of the Order on Civil Review application No. 88-B/26 in the Court of the Additional Judicial Commissioner, Nagpur in the case of Great Indian Peninsula Railway, versus Harapchand.

ORDER.

Civil Review application No. 88-B/26 in the Court of the Judicial Commissioner at Nagpur.

G. I. P. Railway.

v/s.

Harapchand.

This is an application for review of my decision. The learned counsel for the applicant has in a very long and elaborate agrument tried to urge that the view taken by me in the case as regards the objections of the railway company to reweigh is opposed to that taken by the judges of the Calcutta High Court in 16 C.W.N. 356 and 22 C.W.N. 310 and 902 and that I should not have preferred the view expressed in 13 All. L.J. 417 by the judges of the Allahabad High Court to their view. In other words the review is sought on the short ground that there is an error of law in my decision. But as he ld by Their Lordships of the Privy Council in Bhagjuram V. Neki I. L. R. 3 Lahore 127, the mere fact that a judgment proceeded upon an incorrect exposition of the law is no valid ground for review. This view has been followed hy this court n Ramchandra V. Govindrao, 23 Nagpur 53 where it is distinctly pointed out that mistake of law is not in itself a sufficient mistake or error apparent on the face of record to warrant a review. I think, I as a single judge, am

bound by the Bench decision of this court especially as it is based on the Privy Council decision just quoted above. I am therefore constrained to reject the petition for review on this technical ground.

2. Lastly, I am asked to hold that some of my remarks as regards the scheme and intention of the Railway Act are mere obiter and unnecessary for the actual decision of the case. This may be so; I may say it is natural in a judgment which was somewhat long. But the correctness or otherwise of this remark of the applicant must depend upon the actual observations made, or upon the construction of words that may have been used or might have crept in the course of writing a decision. If the observations were unnecessary as the Company thinks, for supporting the actual finding or decision given in the case and it would be otherwise supported on the evidence on record, then the Railway Company is at perfect liberty to ignore my obiter remarks, without the necessity of asking for a review of my decision and obtaining a pronouncement to that effect from me. All that I can say, for the benefit of the Railway Company if it benefits the Company at all, is that on the facts and circumstances which were proved in the case. The refusal and neglect of the Railway Company to comply with the plaintiff's demand for reweighment was prompted by improper motives and was not justified. It was therefore actionable in the circumstances of the case. It was far from my intention to lay down as a matter of abstract proposition of law that the railway company was under a legal obligation under all circumstances, to reweigh the goods at the sweet will of the customer. If there was any generalisatison and reference to the previsions of the Railways Act the same must be with the object of lending more support by way of an additional proof rather than as the mainstay for the decision which was arrived at and based by me on the evidence adduced in the case.

Under these circumstances I see no reason to interfere with the decision as given by me. The application for review stands rejected with costs. I fix pleader's fee Rs. 20/-

(Sd.) M. B. Kinkhede.

No. 2018, dated 5th September 1928.

From Chamber to the Government of India, Railway Department, Simla.

I am directed to acknowledge receipt of your letter of 28th July 1928, No. 1874-T, as also of your letter of 23rd August 1928, No. 1874-T, with its enclosure.

My Committee have gone through the revision Judgment of the Additional Judicial Commissioner with interest. He has not granted the appeal but rejected it and while rejecting it remarked that " the refusal and neglect of the Railway Campany to comply with the plaintiff's demand for re-weighment was prompted by improper motives and was not justified." The Judicial Commissioner does not say that Railways are not bound to re-weigh consignments at the destination stations. What he says is that it was far from his intention to lay down as a matter of abstract proposition of law that the Railway Company was under a legal obligation under *all* circumstances to re-weigh the goods at the sweet will of the customer. What clearly emerges from the Judgment is, in the view of my Committee, that with regard to the case under reference the Railway Company was bound to re-weigh the goods and that though Railway Companies may not be under *all* circumstances bound to re-weigh goods, they are not precluded from this liability on this count and that it is not their legal right, as the Railway Board would have it, to refuse re-weighment if asked for good and proper reasons.

No. 1874, T. the dated, 17th September 1928.

From the Government of India Railway Department to Chamber.

With reference to your letter No. 2018 dated the 5th September 1928, I am directed to say that the Railway Board have nothing to add to their letter No. 1874-T, dated the 28th July 1928.

APPENDIX 9.

NEW PACKING CONDITIONS FOR ASAFOETIDA BY THE G. I. P. AND THE B. B. & C. I. RAILWAYS.

No. 2043, dated 11th September 1928.

From Chamber, to the G.I.P. and B. B. &. C. I. Railways, Bombay.

The attention of my Committee has been recently drawn by some Asafoetida merchants, their members, to the fact that your Railway has recently introduced a new regulation not to book any Asafoetida which is not packed in tins. My Committee understand that your Railway, for the past so many years, has been booking Asafoetida packing in wooden boxes for all the important centres in India. My Committee will be obliged if you will be good enough to enlighten them as to why such a new condition is now introduced in place of the old one which worked successfully for the last so many years.

Hoping to receive an early reply.

No. T/125 Bombay, 26th September 1928.

From the B. B. & C. I. Railway to Chamber.

With reference to your letter No. 2043 dated 11th September 1928, on the above subject, I beg to enclose, for your information, a copy of my General Traffic Manager's letter No. R. O. 220/28-9 dated 22nd September 1928, dealing with the point raised by you.

Copy of letter No. R. O. 220/28-9 dated 22nd Septr. 1928, from the General Traffic Manager, Bombay, to the Agent, B. B. and C. I. Railway, Bombay.

New Packing regulations for Asafoetida.

Your No. T. 125/27 dated 19th instant.

In this connection I beg to refer you to Serial No. 101 of Appendix A, Minute 193 (Resolution 158) of Commercial Committee's Meeting No. 7.

Asafoetida is required to be packed in tin canisters properly soldered and wrapped in gunny. Hitherto, it was accepted for despatch by Goods trains if not so packed provided Risk Note Form A was executed, but as the N. W. Railway represented that the acceptance of Asafoetida, not packed in accordance with the rules, results in other Commodities loaded in the same wagon with a consignment of Asafoetida becoming impregnated with the offensive odour of the latter, the Commercial Committee recommended that Asafoetida should not be accepted for carriage by rail unless the packing conditions are fulfilled.

The Commercial Committee's recommendation was approved by Railways and was given effect to as from 1st August 1928.

No. RC. 987, Bombay, 1st October 1929.

From the Ag. Chief Traffic Manager G. I. P. Railway to Chamber

With reference to your above which has been forwarded to me for disposal and direct reply I beg to state that the new packing conditions for Asafoetida enforced over this Railway are those notified by the General Secretary, Indian Railway Conference Association (*vide* page 10 of his circular No. 9 to General Classification of Goods and General Rules No. 13)

The new packing condition is necessitated by the pungent odour of the commodity which when exposed to the air evolves sulphuretted hydrogen with the result that other commodities loaded in the same wagon with a consignment of Asafoetida become impregnated with the offensive odour of the latter.

No. 2261, dated 4th October 1928.

From Chamber to Messrs. Laljee Godhoo & Co., Bombay.

With reference to your letter of the 14th August 1928 enclosing a joint letter signed by yourself and other merchants regarding the above, my Committee are informed by the G. I. P. and the B. B. & C. I. Railways that the same is necessitated by the pungent odour of the commodity which when exposed to the

air evolves sulphuretted hydrogen with the result that other commodities loaded in the same wagon with a consignment of Asafoetida become impregnated with the offensive odour of the latter.

In view of this reply my Committee think that no useful purpose would be served by pursuing the matter any further, and have recorded the same.

APPENDIX 10

SOME GRIEVANCES OF THE WADI BUNDAR FORWARDING AGENTS' UNION AGAINST THE G. I. P. RAILWAY AUTHORITIES.

No. 2662, dated 26th November 1928.

From Chamber to the Chief Traffic Manager, G. I. P. Railway, Bombay.

The attention of the Committee of this Chamber has been drawn to some of the difficulties experienced by the members of the Wadi Bunder Forwarding Agents' Union in getting the Railway Receipts in reasonable time and the insufficient sitting and lighting arrangements in various Sheds of the Wadi Bunder.

My Committee are given to understand by the representatives of the said Union that the Wadi Bunder Dalals will be satisfied if you will see your way to arrange to give Railway Receipts, say upto 7 or 8 p.m. the same evening for the goods tendered and accepted during the day, and provide sufficient sitting and lighting facilities in all the Sheds of the Wadi Bunder. My Committee feel that these reasonable requests of the Wadi Bunder Dalals deserve sympathetic consideration, and request you, therefore, to do the needful in the matter at your early convenience.

No.CG. 2/8346-93. Bombay, dated 8th December 1928.

From the Chief Traffic Manager, G.I.P. Railway to Chamber.

With reference to your letter No. 2662 of 27-11-1928, I beg to inform you that the present system of working at Wadi Bunder allows for railway receipts for all consignments accepted up to 14 hours daily, to be available for delivery to the public, dalals, &c., by or before 17 hours the same day. Railway receipts for consignments tendered after 14 hours daily are available for delivery, as prepared, after 17 hours right up to the time of completion of work daily.

2. As regards the provision of lights, I beg to state that lights are provided inside the offices over all the railway receipt delivery windows, and afford sufficient light near the windows. The Electrical Engineer has been asked to provide a bracket lamp outside, over each of the five railway receipt delivery windows.

3. In regard to the provision of sitting accommodation, ample provision exists in shed No. 10 which is the chief resort of the dalals and where all their writing is done ; the other sheds are visited only for the purpose of obtaining their receipts and sufficient space is available for this to be done in comfort.

No. 2952, dated 21st December 1928.

From Chamber to the Wadi Bunder Forwarding Agents' Union, Bombay.

I am to send to you herewith a copy of a letter dated 8-10-11th December 1928 from the Ag. Chief Traffic Manager, G.I.P. Railway. on the above, for your information, and to state that my Commitee have recorded the same.

APPENDIX 11.

PROPOSAL TO COMPILE A PAMPHLET CONTAINING INFORMATION REGARDING THE PRINCIPAL COMMODITIES, LOCATION AND NAMES OF TRADERS ON THE G. I. P. AND B. B. & C. I. RAILWAYS AS SUGGESTED BY THE B. N. RAILWAY.

No. RG. 47/193 Calcutta, dated 18th September, 1928.

From the Bengal Nagpur Railway to Chamber.

This Railway has under consideration the compilation of a pamphlet containing information regarding the principal commodities, the location and the names of traders dealing in the same, which are available in areas served by this Railway.

2. I venture to enclose an uncorrected page of the 1st Proof of the proposed pamphlet in order that you may be in a position to form an opinion as to whether you consider such information would be of assistance to your Chamber, and if the proposition meets with your approval, to enquire if it would be possible, through your Chamber, to distribute these pamphlets to those whom they would interest and be of use throughout your sphere of influence, and if you could kindly let me know approximately the number of pamphlets which you consider you could usefully distribute, and **the language or languages in which the same should be printed.**

Proof page of the proposed pamphlet.

Commodity.	Railway Commercial District.	Station.	Names of Merchants.	Postal address.
Gunny.	Waltair.	Cuttack.	Kasam Manjee	Chauliaganj.
Do.	Do.	Do.	H. K. Ayoob.	Ditto.
Do.	Do.	Do.	H. T. Ayodle.	Ditto.
Do.	Do.	Do.	Kishorichand Gheurchand.	Ditto.
Do.	Do.	Do.	Kishorilal.	Ditto.

No. 2268 dated 5th October 1928.

From Chamber to the Bengal Nagpur Railway Co., Ltd., Calcutta.

I am directed to acknowledge, with thanks, receipt of your letter No. RG. 47/193, dated 18th September 1928, and state that my Committee appreciate your proposal to compile a pamphlet containing information regarding the principal commodities, the location and the names of traders dealing in the same, which are available in areas served by your Railway. While fully approving of the same, my Committee would suggest that the pamphlet be printed both in English and Gujarati, because majority of the Indian commercial community over this side is Gujarati-speaking. With regard to the number of pamphlets, they hope that about 750 to 1000 copies in all wou be sufficient for the purpose of distribution.

No. 2267, dated 5th October 1928.

From Chamber to Sir Purshottamdas Thakurdass Kt. and the Hon'ble Sir P. C. Sethna, Bombay.

I am directed to send herewith a copy of a letter received from the Commercial Traffic Manager, B. N. Rly., Nagpur, regarding the proposed compilation of a pamphlet containing some useful commercial information. A copy of an uncorrected page of the 1st proof of the proposed pamphlet referred to in that letter is also sent for easy reference. The Committee have approved of the proposal and informed the B.N. Rly. authorities accordingly, as per copy of their letter attached herewith.

The Committee think that the B. B.&C.I. and G.I.P. Rly. should also compile a pamphlet of similar kind which would prove very useful to the commercial community. I am, therefore, directed to request you to take up the matter in the Local Advisory Committee.

Bombay, 2nd November 1928.

From the Hon'ble Sir Phiroze C. Sethna to Chamber.

With reference to the suggestion that the G. I. P. might publish names of merchants on the principal stations on the same

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line in leaflets as are to be published by the B. N. Railway, I was informed at the Committee meeting yesterday in reply to my enquiry that for reasons it is not possible to give effect to the recommendations made. The G. I. P. however are prepared to wait for the results of the leaflets published by the B. N. Railway. If the same are satisfactory they will then consider.

Extract from the Proceedings of 51st Meeting of the G. I. P. Local Advisory Committee, dated 1st November 1928.

Item No. 4.—Proposal to compile a pamphlet containing information regarding the principal commodities, location and names of traders on the line as suggested by the B. N. Railway.

The Chairman stated that it appeared to him that the compilation of the suggested pamphlet is work more suitable for a Chamber of Commerce to undertake than for a railway. There are many petty merchants and traders who despatch goods, and it will be difficult to say which merchants' names should be included in the pamphlet and which should be omitted (for every petty trader would claim to have his name included as a means of advertising), and the book would need constant revision to keep it up to date, the work involved being laborious.

It was decided to see how the B. N. Railway's venture succeeded, and then decide to follow their example should it be deemed desirable to do so."

Extract from the Proceedings of the Forty-fifth Meeting of the B. B. & C. I. Railway Local Advisory Committee on 25th October 1928 :—

Item No. 8.—Compilation of a pamphlet containing information regarding principal commodities, etc.

After some discussion, it was decided that the Chairman should enquire and ascertain from the Bengal Nagpur Railway the circumstances which had led to the proposal to compile a pamphlet of the above description, the advantage to the Railway anticipated therefrom, the estimated cost of publication and other useful details connected with the work.

(B) SHIPPING:—

APPENDIX 12.

PORT QUARANTINE SCHEME FOR MAJOR PORTS.

No. 10/D, Bombay Castle, 23rd September 1927.

From the Government of Bombay, General Department, to Chamber.

I am directed by the Governor in Council to forward herewith a copy of Government Resolution, No. 10, dated the 23rd September 1927, and to request that the views of your Chamber on the question of Port Quarantine so far as the Chamber is concerned may be communicated to Government at an early date.

Port Quarantine:
Scheme for major ports.

GOVERNMENT OF BOMBAY.

GENERAL DEPARTMENT.

Resolution No. 10.

Bombay Castle, 23rd September 1927.

Letter from the Government of India, Department of Education. Health and Lands. No. 1805-Health, dated the 31st August 1927:—

"As the Government of Bombay are aware, the question of port quarantine administration has been engaging the attention of the Government of India for a considerable period. The last reference on the subject was made in the Department of Com.

merce letter No. 186-S-(2), dated the 3rd September 1924, in which *inter alia* a tentative scheme of port quarantine administration was outlined. This scheme was discussed with the representatives of local Government and Port Trusts at the Port and Shipping Conference held at Delhi in November 1924, under the auspices of the Commerce Department of the Government of India. Subsequently, Sir (then Mr.) Geoffrey Corbett discussed the matter informally during his tour of the maritime Presidencies and provinces in India; and it was provisionally decided that action to place port quarantine administration on a satisfactory basis should be taken as soon as the question of lighthouses was got out of the way. A Bill on the subject of lighthouses was introduced in the Council of State last session and is expected to become law shortly. Port quarantine administration must be dealt with next. But before a solution of this complicated problem can be evolved, certain data must be collected. Information on the points enumerated below is specially required.

(1) The various measures and activities at the various Indian ports which are at present classed under the general category of 'Port Quarantine,' or are undertaken by the Port Health and Sanitary authorities;

(2) Which of the various measures and duties enumerated under (1) can or should properly be administered as 'Port Quarantine,' subjects by a port quarantine authority. I am to observe that the Government of India incline to accept the definition of 'Port Quarantine' adopted by the Commonwealth of Australia as including all measures designed to prevent the spread of infectious diseases either from ships to ports or from ports and the land behind them to ships, their crews and passengers;

(3) Whether any measures not at present undertaken at any Indian port should be included in the sphere of port quarantine administration, *e. g.*, to fulfil the requirements of the International Sanitary Convention of 1926, *e. g.*, Articles 31, 22 and 51;

(4) How far should quarantine administration extend on land?

(5) If the territorial limits suggested with reference to (4) include any area at present under the sanitary administration of a local Government or a local body, *e. g.*, a Municipality or a Port Trust, how should co-operation in the sphere of port quarantine administration in this area be secured?

(6) What port quarantine staff is employed at ports at present, and what are their salaries and functions? Do the latter include duties not strictly covered by 'port quarantine'?

(7) If a port sanitary authority is recommended for (5) how should it be constituted and by whom controlled?

(8) By whom is the cost of port quarantine administration met at present, and by whom it be defrayed in future? Should it be met by some sort of a levy on shipping only?

(9) What are the minor ports at which overseas shipping now touches and what was the number and tonnage of ships touching at each of these ports annually? Figures for the last three years should, if possible, be given separately.

"2. On receipt of information now asked for, the Government of India propose to work out a provisional scheme of port quarantine administration and then circulate it to local Governments for an expression of their views after consulting Port Trusts, Municipalities and other parties interested in the matter. On receipt of their views, the best method of arriving at a solution which will receive the greatest common measure of agreement, possibly by means of a conference, will be determined. In the meantime, I am to request that in order to expedite a settlement of this longstanding question, a reply to this letter may kindly be sent at the earliest possible date."

RESOLUTION.—Copies of the letter from the Government of India should be forwarded to the Surgeon General with the Government of Bombay, the Director of Public Health for the Government of Bombay, the Commissioner in Sind, the Political Resident, Aden, the Municipal Commissioner for the City of Bombay, the Port Health Officer, Bombay, the Chambers of Commerce, Bombay and Karachi, the Indian Merchants' Chamber,

Bombay, the Chairman, Bombay Port Trust, and the Collector of Salt Revenue, Bombay for favour of furnishing the information on the points enumerated in paragraph 1 of the letter from the Government of India. The Commissioner in Sind should be requested to forward his reply after consulting the Port Health Officer, Karachi, the Karachi Port Trust, and the Karachi Municipality and the Political Resident should similarly be requested to forward his reply after consulting the Port Health Officer, Aden, and the Aden Port Trust. The Director of Public Health and the Port Health Officer, Bombay, should be requested to forward their replies through the Surgeon General.

By order of the Governor in Council,
A. H. DRACUP,
Under Secretary to Government.

No. 220, dated Bombay, 26-1-28.

From Chamber to the Government of Bombay, General Department, Bombay.

With reference to the correspondence on the above subject ending with your letter No. 10/16707D, dated the 13th December, 1927, I am directed by my Committee to reply to the various points raised therein as follows:—

1. My Committee understand that all measures connected with Port Quarantine are carried out by the Port Health Department under rules made under Section 6, sub-section 1, clause (p) of the Indian Ports Act. Conditions under which inspection and examination of 3rd class passengers, especially at the Port of Rangoon are carried out require reconsideration. The large labouring population migrating to that port ought to be treated with greater dignity and better humanity. The position of the Protector of Immigrants ought to be more independent than it is at present so far as the question of Port Quarantine is concerned Any measure based on racial discrimination, such as the difference in the treatment of the inspection of the Indian and European crew ought to be done away with.

2. My Committee do not know what definition of Port Quarantine has been adopted by the Commonwealth of Australia. It seems however from the wording of Clause (2) of your letter that the definition must be very comprehensive and consequently likely to place further burdens on commerce and shipping. My Committee feel that it would not be proper to adopt the same stringent regulations in India as are adopted in Australia in case of such diseases as are generally prevalent in this country. While my Committee would like to see the administration of Port Quarantine becoming really effective, they feel that the measures adopted by them should not place either great burdens on shipping or cause unnecessary hardship to passengers. As regards the subjects which should be handled by the Port Quarantine Authority only, my Committee cannot form their final conclusions unless they are in possession of the views of the Port Trust and other Sanitary Authorities on this subject.

3. Yes, Port Quarantine and sanitary stations should be established at ports where there is a large traffic in passengers. If the requirements of some of the articles of the International Sanitary Convention, in connection with the question of isolation, segregation, &c., are to be effectively carried out, there ought to be proper quarantine stations established at important ports with all the necessary equipments.

4. My Committee are not in a position to come to a decision unless they are aware of the measures which Government propose to take for the control of infectious and other diseases under relative articles of the International Sanitary Convention.

5. Government will have to enact new legislation if effective co-operation is to be promoted between the Municipal Health Department and Port Trust Health Department. The Port Health Department must have power to see that their instructions are carried out even when the patients are in areas beyond their jurisdiction. The term "Port Health Officer" does not exactly correspond to the duties with which he is entrusted. My Committee do not think the Port Health Officer is responsible for the sanitation of the Port with which he is not directly concerned

"The term "Port Quarantine Officer" will be more appropriate than the present designation Port Health Officer in this connection.

6. Government will be the proper authority to supply information required in the first part of the question. As regards the second part of the question, so far as the information of my Committee goes, the functions of the Port Quarantine Staff do not include duties which are not covered by the term Port Quarantine.

7. My Committee are not prepared to express any opinion unless they are aware of the views of the Port Trust and the Municipal Authorities in this connection.

8. So far as the information of my Committee goes, different authorities at different ports meet the expenditure in connection with the administration of Port Quarantine. It is wholly paid by the Government of India at Madras. It is, howevre, a charge on the funds administered by the Port Trust at Rangoon. At Bombay, Karachi and Aden the whole cost is borne in certain proportions by the Port Trust, the Local and Imperial Governments. At Calcutta, my Committee understand the cost of Port Quarantine is charged to a separate Port Health Fund which is maintained from Hospital Dues levied on the shipping visiting that port under the Indian Ports Act. As the measures of the Port Quarantine are adopted not only for the use of shipping but also for the benefit of the Province in which the port is situated and of the country in general, Port Quarantine should not be full charge on shipping alone. At any rate part of the cost should come out of the revenues of the Local and the Imperial Governments. As a matter of fact, Shipping has already been bearing its share in this connection in the shape of Port Dues at all ports and Hospital Dues at Calcutta. My Committee do not think it therefore avdvisable that a further fresh burden should be placed on shipping in this connection. My Committee have further to observe in this connection that the Hospital Dues at Calcutta be utilised for the purpose of providing medical assistance to seamen for which they are primarily intended.

9. As my Committee have got no information on the subject they are not in a position to reply to this question.

APPENDIX 13.

MERCANTILE MARINE ADMINISTRATION IN INDIA.

No. 831/ 1983 M, dated Bombay Castle, 18th November 1927.

From the Government of Bombay, Marine Department to Chamber.

I am directed by the Governor in Council to forward herewith a copy of a letter No. 186-S (33), dated the 8th November 1927, from the Government of India in the Department of Commerce, together with a copy of its accompaniment, on the subject of the Mercantile Marine Administration in India, and to request that you will be so good as to favour Government with the opinion of your Chamber on the proposals contained in it by the 10th December 1927 at the latest.

No. 186-S. (33).

From the Government of India Department of Commerce, to the Governments of Madras, Finance (Marine) Department, Bombay, Marine Department, Bengal, Marine Department, Burma, Revenue Department, Bihar and Orissa, Revenue Department.

Delhi, the 8th November 1927.

SIR,

I am directed to address you on the subject of Mercantile Marine Administration in India. The list of central subjects in Schedule I to the Devolution Rules, made under section 45A of the Government of India Act, includes the following :—

(1) Shipping and navigation ;

(2) Lighthouses ;

(3) Port quarantine ; and
(4) Major ports.

All these subjects are now administered through the agency of the Local Governments, as provided by section 45 A (1) (c) of the Government of India Act, and statutory powers in respect of them hitherto to a large extent been vested in the Local Governments. At a Conference held in elhi in November 1924, which was attended by representatives of the Local Governments, the Chairmen of the Port Trusts of the major ports, Port Officers and Port Health Officers, as well as by representatives of the Departments of the Government of India concerned, it was considered whether these subjects should continue to be administered through the agency of the Local Governments, or should be administered direct by the Governor General in Council. As a result of these discussions, the Government of India decided that (1) shipping and navigation, and (2) lighthouses should be administered direct, and that legislation should be undertaken so as to vest the necessary statutory powers in the Governor General in Council. They also decided that the question of the major ports, about which there was some difference of opinion, should be reconsidered later when experience of the central administration of other subjects had been gained. Port quarantine, which is closely connected with the sanitation of the port generally, will also be dealt with separately.

2. But before proceeding with the legislation necessary to centralise the administration of shipping and navigation and lighthouses, the Government of India thought it desirable to place before the Local Governments their proposals for a central organisation for this purpose. Conditions at the principal ports in India were accordingly investigated, the organisation in the United Kingdom was studied, and a scheme was finally prepared with the assistance of the Board of Trade and their professional and technical advisers. In accordance with this scheme, proposals were put before Local Governments last year for the central administration of lighthouses. The Indian Lighthouse Bill was introduced in the Indian Legislature last February and was

passed in September. I am now to put before the Governments of Madras, Bombay, Bengal, Burma and Bihar and Orissa proposals for the central administration of the subject shipping and navigation. The primary purpose is to provide for the administration of the Merchant Shipping Acts by the Governor General in Council direct instead of through the agency of the Local Governments.

Organisations.

(1) *At the Ports.*

3. The Merchant Shipping Acts are now administered at the ports by the Port Officer and his staff. Originally the Port Officer was the conservator of the port. But when Port Trusts were constituted and appointed conservators, the position of the Port Officer changed. In some cases he ceased to be concerned with conservancy and harbour management, except as a member of the Board of Trustees to which he might be nominated by the Government. In other cases, he became the servant of the Port Trust as Deputy Conservator. It may be desirable that the officer responsible for the administration of the Merchant Shipping Acts should be a member of the Board of Trustees. But it is considered undesirable that he should be the servant of the Board, and this arrangement should be discontinued so far as is possible consistently with economy. It is thought, therefore, that it may avoid misunderstanding, and emphasise his dissociation from the ordinary administration of the port, if the local officer responsible for the administration of the Merchant Shipping Acts is called the "Principal Officer", Mercantile Marine Department. This is the ordinary designation in the United Kingdom, and implies functions which are well understood by ship-masters, shipowners and others concerned.

4. It is proposed, for the purposes of mercantile marine administration, to divide the coasts of India into Districts, based on the major ports, and to place each District in the charge of a Principal Officer, who would be an executive officer, ordinarily a Captain, of the Royal Indian Marine or of the future Royal Indian Navy. He would be the chief executive officer of the

Government of India in his District in all matters relating to mercantile marine administration, and he would exercise general supervision over the whole of the District staff including surveyors, examiners of masters and mates and engineers, shipping masters, and the Bengal Pilot Service at Calcutta. He would also be appointed Superintendent of Lighthouses under the Indian Lighthouse Act.

This supervision would not extend to technical matters which were beyond his scope. In such matters, the staff at the ports would be guided by the headquarters technical staff. But all communications between headquarters and the District staff would pass through the Principal Officer.

(2) *At Headquarters.*

5. The scheme put before the Delhi Conference in 1924 provided for the appointment at headquarters of a technical Director, who would exercise the powers of a Head of Department over the services at the ports. This proposal was criticised and it was urged that a technical officer at headquarters should be an adviser only. After further consideration and consultation with the Board of Trade, the Government of India have decided to accept this view. In the United Kingdom, the Principal Officers of Dirtricts are directly subordinate to the Board of Trade, and the functions of the Professional Officers and the Consultative staff at headquarters are advisory. The Government of India now consider that the headquarters staff in India should be organised in accordance with this principle. *It is* proposed, therefore, that the Principal Officers of Districts should be directly subordinate to the Commerce Department of the Government of India, which should be advised by a staff of profes sional and technical officers. While exercising no direct executive authority over the staff at the ports, they would examine and check all work submitted to headquarters, including diaries and returns, and would make regular tours of inspection, in order to guide and instruct the staff at the ports, to maintain contact with the Commerce Department and to establish uniformity of administration both in principle and in practice.

The Government of India consider that it will be necessary to appoint two officers at headquarters for this purpose, *a* Nautical Adviser and a *Chief* Surveyor. In addition, there will be the Chief Inspector of Lighthouses for which the Indian Lighthouse Act already provides.

Agency.

6. It is recognised that, for a time at any rate, it may not be economical or convenient either for the Government of India or for Local Governments to make a clean cut. Some Local Governments may desire, for instance, that the Principal Officer's staff should continue to undertake the survey of inland steam vessels, or to hold examinations for certificates of competency under the Inland Steam Vessels Act, or again to superintend the management of local lighthouses for which the Local Government will be the lighthouse authority under the new Act. Such arrangements will be matters for separate consideration with each Local Government. But I am to say that the Government of India will endeavour to meet the requirements of Local Governments in every way possible, and will do their utmost to avoid any dislocation of administration during the transition period.

7. On the other hand, at minor ports, where work connected with the administration of the Merchant Shipping Acts is small, the Government of India would wish to continue to utilise the services of the local provincial officers through the agency of the Local Government. They would, however, desire that work connected with the administration of the Merchant Shipping Acts should be inspected from time to time by their own officers, both of the District and of the headquarters staff, and they hope that the Governments of Madras, Bombay, Bengal, Burma and Bihar and Orissa, will agree to this.

Finance.

8. It is understood that the cost of *services* at the ports is now approximately covered by fees paid by shipping. No separate accounts, however, are available to show exactly receipts and expenditure. On the other hand, no contribution is made by

shipping to the cost of *administrative* and other overhead charges. In the United Kingdom, fees are levied so as to cover a proportion of the aggregate cost of the whole administration, from the salary of the Principal Assistant Secretary, Board of Trade, who is the head of the Mercantile Marine Department, down to the cost of services at the ports. It will be considered later whether it would be desirable to adopt this principle in India. In any case, fees will continue to be credited to central revenues, and the cost of services and administration will be met by appropriations and submitted to the vote of the Legislative Assembly in the form of demands for grants. But it is considered that a separate *pro forma* account should be maintained in order to show exactly how far expenditure is covered by receipts. It should be understood that it is not intended that the centralisation of the administration should impose any serious additional burden on shipping.

9. At the same time some adjustment would appear to be necessary in respect of the debits which are now accepted by the Government of India on account of the agency work done by the Marine Departments of Local Governments. This would also be a matter for subsequent consideration and settlement.

Amendment of the Indian Merchant Shipping Act.

10. Appended to this letter is a draft Bill to amend the Indian Merchant Shipping Act, 1923, so as to vest the statutory powers in the Governor General in Council. The amendments, which are specified in the Schedule to the draft Bill, are mainly formal, substituting the words "Governor General in Council" for "Local Government" and making the necessary consequential amendments. There are only two matters that appear to require further explanation.

In the first place, it will be observed that clause 7 of the Bill empowers the Governor General in Council to delegate to any Local Government all or any of his powers under the Act

This provision seems desirable in order to give the necessary elasticity in administration during the period of transition, and to permit the delegation of powers in matters which, it may be found, can more conveniently continue to be administered through the agency of the Local Governments. For instance, the Government of India would wish that powers under sections 188, 206 and 207, relating to the medical inspection of native passengers and pilgrims, should continue to be exercised by Local Governments, at any rate until the question of the administration of the subject port quarantine has been decided.

11. Secondly, the procedure that should be provided in Part VI of the Indian Merchant Shipping Act, 1923, for inquiries and investigations into shipping casualties presents certain difficulties. The primary object of these inquiries and investigations is to ascertain, from the professional and technical aspect, the causes of the *casualty*, and to determine whether the certificates of competency of the persons involved should be cancelled or suspended. From this point of view they relate only to the central subject of shipping and navigation and are, therefore, the concern of the Government of India. But if any criminal offence should be disclosed, the administration of justice, which is a provincial subject, would be affected. Moreover, it is necessary that a formal investigation should be conducted by a Magistrate, who would be a servant of the Local Government. In these circumstances, the Government of India suggest that it would be convenient and appropriate to adopt so far as possible the procedure prescribed in sections 465 to 467 of the Merchant Shipping Act, 1894. That is, the officer appointed by the Governor General in Council in this behalf, who would ordinarily be the Principal Officer, would make a preliminary enquiry and might, either on his own motion or under the direction of the Governor General in Council, apply to the Magistrate appointed by the Local Government for this purpose to hold a formal investigation. The Magistrate would then hold a formal investigation with the assistance of assessors appointed out of a list of persons for the time being approved by the Governor General in Council.

Further, it would be provided that copies of the first information, of the report of the preliminary inquiry and of the report of the formal investigation should be sent to the Local Government, in order that it might be kept informed of the proceedings and be able to take action if any criminal offence should be disclosed.

12. I am now to ask that the Governments of Madras, Bombay, Bengal, Burma and Bihar and Orissa, after obtaining such commercial opinion as they think fit, will furnish the Government of India with their views on these proposals and on the draft Bill to amend the Indian Merchant Shipping Act, 1923. I am to add that in Article 3 of the Recommendation concerning the General Principle for the Inspection of the Conditions of Work of Seamen, adopted by the International Labour Conference, at its ninth session held at Geneva in June 1926, the Conference recommended that "whenever it is compatible with administrative practice and in order to secure the greatest possible uniformity in the enforcement of the laws and regulations relating to the conditions under which seamen work, the different services or bodies responsible for supervising the enforcement of such laws and regulations should be centralised under a single authority." And when this Recommendation was brought before the Indian Legislature at its last session, as required by Article 405 of the Treaty of Versailles, a hope was expressed that a Bill to amend the Merchant Shipping Act for this purpose would be introduced at the next Delhi session. The Government of India, therefore, would be obliged if they could receive the opinion of the Governments of Madras, Bombay, Bengal, Burma and Bihar and Orissa, by the 1st January 1928.

I have the honour to be,
Sir,
Your most obedient Servant,
G. L. CORBETT,
Secretary to the Government of India.

No. 186-S. (33).

A copy is forwarded to—

The Finance Department.

The Department of Education and Lands.

The Marine Department.

By order, etc.,
S. N. BANERJI,
Assistant Secretary to the Government of India.

A BILL

Further to amend the Indian Merchant Shipping Act, 1923, in order to vest in the Governor General in Council the control of matters covered by that Act.

WHEREAS, by the Devolution Rules, made under section 45A of the Government of India Act, subjects, in relation to the functions of government, have been classified as central and provincial subjects, for the purpose of distinguishing the functions of Local Governments and the functions of the Governor General in Council;

AND WHEREAS the Indian Merchant Shipping Act, 1923, relates to matters falling within the scope of subjects classified al-central, but vests the control of many of the said matters in Local Governments;

AND WHEREAS it is expendient to vest the control of all such matters in the Governor General in Council;

It is hereby enacted as follows;—

Short title and commencement.

1. (*1*) This Act may be called the Indian Merchant Shippine (Amendment) Act, 1928.

(2) It shall come into force on such date as the Governor General in Council may, by notification in the Gazette of India, appoint.

Substitution of the Governor General in Council for the Local Governments.

2. In the sections, sub-sections and clauses of the Indian Merchant Shipping Act, 1923 (hereinafter referred to as the said Act), which are shown in the first three columns of the Schedule as being amended in accordance with this section, for the words "the Local Government", or "a Local Government", or "any Local Government", as the case may be, wherever they occur, the words "the Governor General in Council" shall be substituted.

Substitution of "he" signifying the Governor General in Council for 'it' signifying a Local Government.

3. In the sections, sub-sections and clauses of the said Act, which are shown in the first three columns of the Schedule as being amended in accordance with this section, for the word "it" wherever it occurs signifying a Local Government, the word "he" shall be substituted.

Omission of phrases relating to the sanction, approval or control of the Governor General in Council.

4. In the sections, sub-sections and clauses of the said Act, which are shown in the rst three columns of the Schedule as being amended in accordance with this section, the words "with the previous sanction of the Governor General in Council's or "and the sanction of the Governor General in Council", or "subject to the control of the Governor General in Council", or "with the previous approval of the Governor General in Council", or "with the approval of the Governor General in Council", as the case may be, shall be omitted.

Substitution of 'Gazette of India" for "local official Gazette".

5. In the sections, sub-sections and clauses of the said Act, which are shown in the first three columns of the Schedule as being amended in accordance with this section, for the words "local official Gazette" wherever they occur, the words "Gazette of India" shall be substituted.

Further amendments to be made.

6. In addition to the amendments to be made under sections 2, 3, 4 and 5, the amendments shown in the fourth column of the Schedule shall be made in the sections, sub-sections or clauses of the said Act shown against them in the first two columns of the Schedule.

Insertion of new section 4A in Act XXI of 1923.

7. After section 4 of the said Act the following section shall be inserted, namely: —

Power of the Governor General in Council to delegate his powers to Local Governments.

"4A. The Governor General in Council may, by notification in the Gazette of India, delegate to any Local Government any or all of his powers under this Act, either absolutely or subject to such conditions or restrictions as he may think fit."

Savings of thing done before the commencement of this Act.

8. Nothing herein contained shall affect the validity of anything done in accordance with the provisions of the said Act before the comencemment of this Act; and for this purpose, where need be, anything done by the proper authority under the said Act before the commencement of this Act shall be deemed to have been done by the proper authority under the said Act as hereby amended.

THE SCHEDULE.

(See sections 2, 3, 4, 5 and 6.)

Sections of the said Act be amended.	Sub-sections or clauses in these sections where the amendments are to be made.	Sections of this Act in accordance with which amendments are to be made.	Further amendments directed to be made by section 6 of this Act.
6	(2)	2	
	(3)	2, 3	(*i*) The word "respectively" shall be omitted. (*ii*) For the words "the control of that Government or" the words "his control or to the control" shall be substituted.
7	(1)	2	
9	(1)	2	
15	..	2	
16	..	2, 3	
17	(3)	2	
18	..	2	
19	..	2	

20	..	2	(i) The words "by or under the authority of which his certificate was granted" shall be omitted. (ii) After the word "him", where it first occurs, the words "under this Act" shall be inserted.
21	..	2, 4	
24	(1) & (2)	2	
28	(2), clause(*f*)	2, 4, 5	
40	(1)	2, 3	For the words "the territories subject to the said Government" and for the words "such territories." the words "British India" shall be substituted.
43	(1)	2	
44	(1)	2	
48	(1)	2	
53	(3)	2	
70	(2)	2	
71	(1)	2	
74	(2)	2, 4,	
78	(2)	2	
81	(1)	2, 3, 5	
85	(1)	2	
87	(1)	2, 4, 5	
106			

Sections of the said Act of be amended.	Sub-sections or clause in these sections where the amendments are to be made.	Sections of this Act in accordance with which amendments are to be made.	Further amendments directed to be made by section 6 of this Act.
116	(1)	2	
	(1), clause (*a*)	2, 3	
	(1), ,, (*b*)	2, 3	
119	(1)	2	
120	(1)	2	
126	..	2, 4, 5	
129	..	2, 3	For the words "within the territories under its administration" the words "in British India" shall be substituted.
131	..	2, 5	
132	..	2	
[135	(1)	2	
136	(1), (3) & (4)	2	
137	(1)	2	
138	Clause (:)	2	
139	..	2, 3	

140	(1)	2, 3	
141	..	..	This section shall be omitted.
143	..	2	
144	(1)	2, 3	
	(2)	2, 3, 5	
	(3)	2	
145	(1)	2, 4	
	(2), clause (*d*)		The words "within the territories under its administration" shall be omitted.
147	(3)	2, 4	
148	(1)	2, 3, 4	
	(2)	2	
150	(1)	2	
151	(1)	2	
156	..	2	
159	(2)	..	The words "the Local" shall be omitted.
160	(3)	2	For the words "that Government appoints" the words "he may appoint" shall be substituted.
167	(2)	2	
170	(1) & (2)	2	
173	..	2, 3	

Sections of the said Act to be amended.	Sub-sections or clauses in these sections where the amendments are to be made.	Sections of this Act in accordance with which amendments are to be made.	Further amendments directed to be made by section 6 of this Act.
178	..	2	
188	(1)	2	For the words "that Government" the word "him" shall be substituted.
191	(1)	..	(*i*) In clause (*i*) the word "and" shall be omitted. (*ii*) After clause (*i*) the following two clauses shall be inserted namely:— "(*j*) the local limits within which, and the time and mode at and in which, passengers are to be embarked or discharged at any port or place appointed under this Part in this behalf; (*k*) the time within which the ship or any ship of the class is to depart or proceed on her voyage after commencing to take passengers on board: and" (*iii*) clause (*j*) shall be relettered as clause (*l*).
„	(2)	..	This sub-section shall be omitted.
„	(3)	..	This sub-section shall be renumbered as sub-section (2); and for the words "authority making it" the words "Governor General in Council" shall be substituted.
„	(4)	..	This sub-section shall be renumbered as sub-section (3).
203	(1)	2	

206	(1) & (3)	2	
207	(1)	2	
208A	..	2	
209A	(1)	2	
209C	(3)	2	
213	(1)	..	(*i*) The clauses from (*a*) to (*r*) shall be re-letterd serially from (*a*) to (*u*); and in clause (*u*) as so re-lettered [being the present clause (*r*)[the word "and' shall be omitted. (*ii*) After clause (*u*) as so re-le*tt*ered, the following two clauses shall be inserted, namely :— "(*v*) the local limits within which, and the time and mode at and in which, pilgrims shall be embarked or discharged at any port or place appointed uuder this Part in that behalf; (*w*) the time within which a *pilgrim* ship shall depart or proceed on her voyage after commencing to *take* pilgrsms on board: and" (*iii*) clause (*s*) shall be re-lettered *as* clause (*x*).
213	(2)	..	This sub-section shall be omitted.
213	(3)	..	This sub-section shall be re-numbered as sub-section (2): and for the words "authority making it" the words "Governor General in Council" shall be substituted.
213	(4)	..	This sub-section shall be re-numbered as sub-section (3).
214	(1)	2	
216	..	2	

Sections of the said Act to be amended.	Sub-sections or clauses in these sections where the amendments are to be made.	Sections of this Act in accordance with which amendments are to be made.	Further amendments directed to be made by section 6 of this Act.
218	(2)	2	
	(3)	2, 4	
221	(2)	2	
223	..	2, 4	For the word "its" the word "his" shall be substituted.
224	(1)	2, 4	
228	(1)	2, 4, 5	
229	(4)	2	
232	(1)	2	
232	(1), clause (*a*)	2, 3	
232	(1), clause (*c*)	2, 3	(*i*) For the word "his" the word "the" shall be substituted.
			(*ii*) For the word "its" the word "his" shall be substituted.
232	(1), clause (*e*)	2	
232	(1), clause (*f*)	2, 3	
232	(1), clause (*g*)	2	

232	(2) & (3)	2	
235	..	2	
236	..	2	For the words "such Government or officer" where they occur four times, the words "Governor General in Council or the detaining officer" shall be Substituted
238	Clauses (*ii*) & (*iii*).	2	
239	(1)	2, 3, 5	
246	(3)	..	For the words "or, when he arrives at a port in British India, to any officer appointed by the Local Government in this behalf at that port," the words "and also to the officer appointed in this behalf by the Governor General in Council" shall be substituted.
247	(1)	..	(*i*) For the words "Magistrate or any officer appointed by the Local Government in this behalf," the words "such officer" shall be substituted. (*ii*) For the words "Local Government" where they occur for the second time, the following words shall be substituted, namely :— "Governor General in Council, and also to the Local Government on or near whose coasts the casualty occurred, or within whose territories any witness resides, or evidence can be obtained as the case may be; and may proceed to make a preliminary inquiry into the casualty."
247	(2)	..	The words "Magistrate or" shall be omitted. After sub-section (2) the following sub-section shall be added, namely :— "(3) An officer making a preliminary inquiry under this section shall send a report thereof to the Governor General in Council and shall send a copy thereof to the Local Government."
248	..	..	For this section the following section shall be substituted, namely :— "248. The officer appointed under sub-section (3) of section 246,

Sections of the said Act to be amended.	Sub-sections or clauses in these sections where the amendments are to be made.	Sections of this Act in accordance with which amendments are to be made.	Further amendments directed to be made by section 6 of this Act.
			whether he had made a preliminary inquiry or not, may, and where the Governor General in Council so directs, shall, make an application to a Court empowered under section 249, requesting it to make a formal investigation into any shipping casualty; and the Court shall thereupon make such investigation." (Application to Court for a formal investigation.)
249	..	..	For this section the following section shall be substituted, namely:— "249. Magistrates of the first class specially empowered in this behalf by the Local Government, and Presidency Magistrates shall have jurisdiction to make formal investigations into shipping casualties under this Part." (Courts empowered to make formal investigation.)
251	(1) & (2)	2	
253	..	..	For the words "shall have—" and clauses (*a*) and (*b*), the words "shall have the same powers as are exercisable by that Court in the exercise of its criminal jurisdiction" shall be substituted.
254	(1)	..	For this sub-section, the following sub-section shall be substituted, namely:— (1) A Court making a formal investigation shall constitute as its assessors not less than two and not more than four persons, of whom one shall be a person conversant with maritime affairs and the other persons conversant with either maritime or mercantile affairs

			Provided that, where the investigation involves, or appears likely to involve, any question as to the cancellation or suspension of the certificate of a master, mate or engineer, two of the assessors shall be persons having also experience of the merchant service."
			After sub-section (2) the following sub-section shall be added, namely :— "(3) The assessors shall be chosen from a list to be prepared from time to time by the Governor General in Council."
255	(1)	2	
256	..	..	For the words " the powers of a Magistrate of the first class or of a Presidency Magistrate " the words " its powers as a Criminal Court " shall be substituted.
257	(1)	2	At the end of this sub-section the words " and shall also send a copy thereof to the Local Government," shall be added.
,,	(2)	2	For the word " section " the word " sub-section " shall be substituted.
259	(1)	2, 3 (where the word ' it ' first occurs.)	For the words " and if it is so empowered by any enactment of a British Indian Legislature for the time being in force, grant under that enactment, but the word " grant " shall be substituted.
,,	..(3)	.. 2	
260	(1)	2	For the words " that or any other Local Government " the words " the Governor General in Council " shall be substituted.
260	(2)	2	For the word ' it " the word " him " and for the word " its " the word " his ' shall be substituted.
261	..	..	This section shall be omitted.

Sections of the said Act to be amended.	Sub-sections or clause in these sections where the amendments are to be made.	Sections of this Act in accordance with which amendments are to be made.	Further amendments directed to be made by section 6 of this Act.
262	..	..	(*i*) For the words "Every Local Government cancelling or suspending" the words "When the Governor General in Council cancels or suspends" shall be substituted. (*ii*) After the word "engineer" the word "he" shall be inserted.
263	(1)	2, 3	
264	(1)	2	
"	(3)	2	For the words "that Government" the word 'him' shall be substituted.
"	(5)	2	(*i*) The figures "261" shall be omitted. (*ii*) The words "which cancels of suspends a certificate" shall be omitted. (*iii*) For the words "Local Government to which the Court has forwarded the certificate under sub-section (3), as if such Local Government had itself" the words "Governor General in Council as if he had himself" shall be substituted.
	..		
266	(1)	2	In clause (*b*), for the words "that Local Government" where they occur twice, the word "him" shall be substituted.
267	(1)	3	For the words "Local Government" the words "Governor General in Council or a person duly appointed by him in this behalf" shall be substituted.
"	(2)	..	For the words "Local Government" the words "Governor General in Council or such authorised person" shall be substituted.

268	(2)	2	
„	(4)	2, 5	
269	(1), (5), (6), (7)	2	
270	..	2	
271	(1)	2, 3	For the words " the Port-officer " the words " a person duly appointed by the Governor General in Council in this behalf " shall be substituted.
„	(2)	2	For the word ' its ' the word ' his ' shall be substituted.
273	(1)	2, 3, 5	
276	..	2	
290	..	2	For the words " the territories administered by such Government, and, subject to the control of the Governor General in Council," the words " British India, and may " shall be substituted.
291	..	2	
294	..	..	The words " or the local official Gazette, as the case may be," shall be omitted

No. 13, dated 4th January 1928.

From Chamber to the Government of Bombay, Marine Department, BOMBAY.

I am directed to send to you hereby the views of the Committee of this Chamber in reply to your letter of the 18th November 1927, No. 831/1983/M.

My Committee feel that the suggestions which are made in the letter under reference are a first step towards centralising the Port Trust Administration. This scheme is evidently in continuation of the suggestions considered by the Government of India in 1924 regarding the transfer of the control of the Port Trusts from Local Governments to the Government of India. At that time my Committee wrote in reply to the communication from the Government that they were opposed to administration of Port Trust being taken away from the hands of the local Governments by the Government of India. My Committee realise that the letter under reference is not concerned with the question of Port Trust administration but another communication may follow with regard to this latter question. As the suggestions made, however, in your letter constitute a sort of preamble to the other letter which may follow, my Committee refer to their general position in regard to the Port Trust administration. While they are thus opposed, as a matter of principle, to the transfer of control of the Port Trust administration from local Governments to the Central Government, they would be prepared to reconsider the question of the centralisation of Port Trusts if that scheme were to give greater powers to the Port Trust. My Committee feel that the time has arrived when Port Trusts as such should be invested with greater powers in the management of the responsible work entrusted to them. In order, however, that the conferment of these greater powers may be attended with success, my Committee think it essential that there should be a preponderating majority of Indians on the Boards of different Port Trusts, as the whole scheme may be a failure unless there is this necessary accompaniment.

With reference to the suggested scheme of organisation at the Ports and at Headquarters the plan set forward in the letter of the Government meets with the general approval of my Committee. They cannot, however, agree with the proposal that the Principal Officer and the Surveyors shall be recruited only from the Royal Indian Marine or the future Royal Indian Navy. These posts should be filled in by competitive examinations as they are done in Great Britain and should no longer be a close preserve of the Officers of the Royal Indian Marine, as they have been hitherto. My Committee desire to lay special stress on this point because it is found by experiance that Officers of that service *i.e.*, that the Royal Indian Marine, do not possess the requisite knowledge of merchant shipping laws or of the working of cargo and passenger ships and have not also the previous training necessary for the discharge of their duties.

My Committee suggest that Government provide the necessary facilities for training, which unfortunately have been neglected upto now, and opportunities for employment for young Indians aspiring for those services. It is important that steps should be taken by the Government for giving training to the young Indians to become Engineers and later on to aspire to Engine Surveyors, Ship Surveyors, Nautical Surveyors, and Principal officers.

My Committee consider it essential that a Mercantile Marine Committee should be constituted by Statute as in England on which shipping, Port Trust and other interests should be adequately represented.

APPENDIX 14.

QUESTIONNAIRE OF THE INTERNATIONAL LABOUR CONFERENCE RE : PROTECTION TO WORKERS ENGAGED IN LOADING AND UNLOADING OF SHIPS AGAINST ACCIDENTS.

No. 700/1727 M, Bombay Castle, 1st September 1928.

From the Government of Bombay, Marine Department, to Chamber.

I am directed by the Governor in Council to forward herewith a copy of a questionnaire (together with an extract from the introduction to the same) relating to the protection against accidents of workers engaged in loading or unloading ships, which has been placed on the Agenda of the 12th Session of the International Labour Conference to be held at Geneva in 1929. I am to request that you will be so good as to favour Government with the replies to the questionnaire, which in the opinion of your Chamber should be communicated to the International Labour Office. I am to ask that the views of your Chamber should be communicated so as to reach Government not ater than the 17th September.

EXTRACT FROM THE INTRODUCTION TO THE QUESTIONNAIRE.

The Questionnaire adopted by the Conference throws open the whole problem of accident prevention for workers engaged in loading and unloading ships for the consultation of the Governments. The object in view is a Draft Convention laying down internationally minimum safety regulations for the protection o the workers in question. On this plan the Office ventures to make one or two observations.

In the first place, it should be emphasised that the list given in the Questionnaire of the points included in the general problem is not intended in any way to be exhaustive or limitative, but is merely a list of examples of the matters which the Governments

should keep in mind in formulating their replies. While, therefore, the Governments are of course free to propose that some of the points specified by way of example should not be considered with a view to international regulation, it is equally open to them to propose other points which should be taken into account.

In the second place, the Office has felt it desirable, in virtue of the power conferred on it by Article 6 (6) of the Standing Orders, to make certain "necessary drafting alterations". In particular, it seemed necessary to sub-divide into separate questions the single question as adopted by the Conference which contained all the illustrations, and also to ask the Governments (what was of course clearly implied in the intentions of the Committee and the Conference) what measures they considered might be laid down internationally on the subject matter of the different questions. These alterations are mere matters of form, as the wording of the illustrations as adopted by the Conference has already been charged, but they seem essential in order to facilitate the task of the Governments in formulating complete replies to the Questionnaire and the work of the Office when it comes to compare and analyse the replies.

Thirdly, if the Governments were to limit their replies to the points which they considered might be dealt with in a Draft Convention, there might be a danger that the Office would be confronted with such a variety of different proposals lacking sufficient support among the majority of Governments that the preparation of a Draft Convention would be difficult. The Office, it may be remembered, called attention to a similar danger in the case of the Questionnaire on minimum wage fixing machinery, and suggested as a means of averting it that the Governments should bear in mind in their replies the possibility of a Recommendation to supplement the Draft Convention. In view of the satisfactory results to which that suggestion led in the work of the Eleventh Session of the Conference on the subject in question, the Office venture to make the suggestion again in regard to the present Questionnaire. At the same time, the Office ventures to ask the

Governments to give as complete and detailed replies as possible so that it may have the broadest basis on which to prepare the two drafts.

QUESTIONNAIRE-

1. Do you consider that the Conference should adopt a Draft Convention concerning the protection against accidents of workers employed, on board or ashore, in loading or unloading ships ?

2. (1) If so, to what risks of the employment of these workers should the Draft Convention primarily refer ?

(2) Do you consider that the Draft Convention should cover, for example, such points as the following :

(*a*) Work ashore.

Approaches to and roads over docks, wharves, quays, etc.—lighting—working spaces—safe landing places—fencing of dangerous places—safe means of access shore to ship. etc. ;

(*b*) Work aboard:

Safe means of access ship to shore, to holds or other working places, ship to other ships or barges—lighting of ship—height of coastings—safe means of transport from quay to ship, where the ship is not alongside the quay—means of escape from lower holds when bulk cargo such as coal, etc., is being worked. etc. ;

(*c*) Work ashore and aboard.

Competence of persons employed in the control of gear, hoisting and other apparatus—inspection and testing of all gear whether fixed or loose gear—means of protection for the workers when handling or working in proximity to explosive, inflammable corrosive or other dangerous or dusty cargo, etc. ?

3. What provisions on the points referred to above or any others you wish to add do you consider should be included in the Draft Convention :—

(*a*) in respect of work ashore ;

(*b*) in respect of work on board ship ?

4. Do you consider the Draft Convention should prescribe the methods of adequate inspection and improvement of plant and gear, etc., the keeping of registers in this connection, etc. ?

What provisions on these points should be included in the Draft Convention ?

5. Do you consider the Draft Convention should define the responsibilities of the different bodies and persons concerned, for the protection of dock workers against accidents, with a view to the enforcement of the safety regulations laid down by the Draft Convention ?

6. Do you consider the Draft Convention should contain clauses, and, if so, what clauses, relating to :

(*a*) the provision of first aid, ambulances, etc.,

(*b*) the setting up of "Safety First" Committee, and collaboration between workers, employers and the authorities on safety provision ?

7. What other matters relating to the general protection of dock workers against accidents do you consider should be dealt with in the Draft Convention ?

No. 2180, dated 26th September 1928.

From Chamber to the Government of Bombay, Marine Department, Bombay.

My Committee have now considered the Questionnaire and offer the following remarks ;

My Committee take it that the object of the move is to take such steps as may remove the risks incidental to loading and unloading of ships, and to remove the causes of such accidents, if any. My Committee will be glad to know if Government have figures showing the number and nature of such accidents, and, if

so, whether they consider the number and nature of such accidents to justify any special measures to meet with the situation. Government will thus observe that my Committee are thus confronted with a difficulty in considering the matter in its proper bearing unless the information they ask for is made available. In the absence of such information, my Committee find it difficult to answer the Questionnaire as they should like to. So far as such information as has come to the notice of my Committee, they do not think that at this stage it is necessary to consider the question. They are of opinion that in the work as at present carried out the workers are not exposed to any risks, unusual to the work, and think that such accidents as arise are confined to the falling of the cargo either by the breaking of sling or loosening of the chain, and they would welcome action by the different Ports towards testing them. To take any measures, the need of which is not justified by facts and figures, would be to increase the cost of handling goods, which, as they stand at present, are very high enough, and my Committee are of opinion that till a case is made out for going further into the matter, any action that may be proposed to be taken, at this stage, is unnecessary and premature, so far as we are concerned.

In order to attend without any delay to cases of accidents, my Committee are of opinion that qualified First Aid should be made available in the Docks, and think that the measure referred to above will go a great way towards alleviating the hardship of the workers.

Under the circumstances, referred to here, my Committee are doubtful whether there exists any justification for the adoption of the Convention in question.

APPENDIX 15.

PROTECTION TO WORKERS EMPLOYED IN LOADING AND UNLOADING GOODS AND COALING SHIPS AT DOCKS, WHARVES, ETC.

No. 1015/1808-M, Bombay Castle, 24th September 1928.

From the Government of Bombay, Marine Department, to the Chamber.

I am directed by the Governor in Council to forward herewith copies of a letter from the Government of India, Department of Commerce, No. 712/S (3), dated the 5th September 1928, and accompaniment and to request that you will be so good as to favour the Government of Bombay with the views of your Chamber as to the desirability of protecting by legislation the workers employed in loading and unloading goods and coaling ships at docks, wharves, etc. I am to request that the views of your Chamber should be communicated so as to reach Government not later than the 1st November 1928.

No. 712-S (3).
Government of India,
Department of Commerce,
Simla, the 5th September 1928.

From

J. A. Woodhead, Esq., I.C.S.,
Joint Secretary to the Government of India,

To

The Secretary to the Government of Bombay,
Marine Department.

Protection of workers employed in loading and unloading goods and coaling ships at docks, wharves, etc.

Sir,

In connection with the above subject I am to say that the British Factory and Workshop Act, 1901, applies to workers employed at docks, wharves, etc., in loading, unloading, moving and hand-

ling goods, etc., and Section 79 of the Act empowers the Secretary of State to certify certain processes of manual labour to be dangerous and to frame such regulations as appear to him to be reasonably practicable and to meet the necessity of the case. The Indian Factories Act, 1911 (Act XII of 1911) is not applicable to workers at docks, wharves, etc., and contains no provision corresponding to Section 79 of the British Act. As the law now stands, therefore, it is impossible for the authorities in India to frame regulations on the lines of those prescribed under Section 79 of the British Factory and Workshop Act for the protection of persons employed in loading, unloading, moving and handling goods, etc., at docks, wharfs, quays and ships. (A copy of these regulations is enclosed for ready reference). The attention of the Government of India has recently been drawn to this difference between the English and the Indian Acts, and it has been suggested that it might be advisable for steps to be taken to protect workers employed at docks, wharfs, etc.

2. The Government of India are not aware whether there are any regulations at present in force in the Indian ports dealing with the above matter, and whether they are considered to be adequate in actual practice. Before proceeding further with the question therefore, the Government of India would be glad to be favoured with information as regards the existing position and also with the views of the Local Government as to the desirability of protecting by legislation the above classes of workers. The Local Government, before formulating their conclusions, will no doubt consult the various Port Trusts and such other commercial bodies as they may think fit.

I have the honour to be,

Sir,

Your most obedient servant,

(Sd.) J. A. WOODHEAD,

Joint Secretary to the Government of India.

The Docks Regulations, 1925, dated March 6, 1925, made by the Secretary of State under Section 79 of the Factory and Workshop Act, 1901 (1 Edw. 7 C-22), in respect of the processes of loading, unloading, moving and handling goods in, on, or at any dock, wharf, or quay, and the processes of loading, unloading and coaling any ship in any dock harbour or Canal.

1925, No. 231.

In pursuance of Section 79 of the Factory and Workshop Act, 1901, I hereby make the following Regulations in respect of the processes of loading, unloading, moving and handling goods in, on, or at any dock, wharf, or quay, and the processes of loading, unloading and coaling any ship in any dock, harbour, or canal, and direct that they shall apply to all docks, wharves, quays and ships as aforesaid.

Provided that (*i*) nothing in Parts II to VI inclusive of these Regulations shall apply to the unloading of fish from a vessel employed in the catching of fish; (*ii*) nothing in Regulations 9, 10, 11, 13, 14, 16, 17 and 43 shall apply to a barge or lighter.

These Regulations may be cited as the Docks Regulations, 1925, and shall come into force on the 1st April, 1925, except that (*i*) in the case of ships, the construction of which was commenced before that date. Regulation 11 (*b*) and (*e*) shall not apply until the 1st July, 1926; (*ii*) in the case of pulleys, gins, blocks and other similar gear in use at that date, Regulation 21, and in the case of ladders provided on cranes or tips before that date, Regulation 27 (*c*) shall not apply until the 1st July, 1925.

From the 1st April, 1925, the Regulations dated 24th October, 1904, (*a*) shall be revoked.

Definitions.

In these Regulations:—

Processes means the processes above mentioned or any of them.

Person employed means a person employed in the **processes**. **Prescribed** means prescribed by the Secretary of State. Hatch means an opening in a dock used for the purpose of the **processes** or for trimming, or for ventilation.

Hatchway means the whole space within the square of the hatches, from the top deck to the bottom of the hold.

Machinery means cranes, winches, hoists, derrick booms derrick and rust bands, goose necks, eyebolts, and all other permanent attachments to the derricks and masts, used in hoisting or lowering in connection with the **processes.**

Shallow Canal includes any of the following parts of a canal canalised river, non-tidal river, or inland navigation :—

(a) Any part having no means of access to tidal waters except through a lock not exceeding ninety feet in length ;

(b) Any part not in frequent use for the **processes** ; and

(c) Any part at which the depth of water within fifteen feet of the edge does not ordinarily exceed five feet.

Duties.

(a) It shall be the duty of the person having the general management and control of a dock, wharf, or quay, to comply with Part I of these Regulations provided that if any other person has the exclusive right to occupation of any part of the dock, wharf, or quay, and has the general management and control of such part, the duty in respect of that part shall devolve upon that other person ; and further provided that this part or these Regulations shall not apply to any **shallow canal.**

(b) It shall be the duty of the owner, master, or officer in charge of a ship to comply with Part II of these Regulations.

(c) It shall be the duty of the owner of **machinery** or plant used in the **processes**, and in the case of **machinery** or plant carried on board a ship not being a ship registered in the United Kingdom it shall also be the duty of the master of such ship, to comply wit Part III of these Regulations.

(d) It shall be the duty of every person who by himself, his agents, or workmen carries on the **processes** and of all agents, workmen, and **persons employed** by him in the **processes** to comply with Part IV of these Regulations.

Provided that while the **processes** are being carried on, it shall be the duty of the owner, master or officer in charge of a ship to comply with Regulation 34, so far as it concerns those hatches which are not in use and which during the **processes** have not been used and are not about to be used for the purpose of the **processes.**

(e) It shall be the duty of all persons, whether owners, occupiers, or **persons employed** to comply with Part V of these Regulations

(f) Part VI of these Regulations shall be complied with by the persons on whom the duty is placed in that part.

PART I.

1. The following parts of every dock, wharf, or quay shall, as far as is practicable having regard to the traffic and working, be securely fenced so that the height of the fence shall be in no place less than two feet six inches, and the **fencing** shall be maintained in good condition ready for use :—

(a) All breaks, dangerous corners, and other dangerous parts or edges of a dock, wharf, or quay.

(b) Both sides of such footways over bridges, caissons, and dock gates as are in general use by **persons employed,**

and each side of the entrance at each end of such footway for a sufficient distance not exceeding five yards.

2. Provision for the rescue from drowning of persons employed shall be made and maintained, and shall include :—

(a) A supply of life-saving appliances, kept in readiness on the wharf or quay, which shall be reasonably adequate having regard to all the circumstances.

(b) Means at or near the surface of the water at reasonable intervals, for enabling a person immersed to support himself or escape from the water, which shall be reasonably adequate having regard to all the circumstances.

3. All places in which **persons employed** are employed and any dangerous parts of the regular road or way over a deck, wharf, or quay forming the approach to any such place from the nearest highway, shall be efficiently lighted.

Provided that the towing path of a canal or canalised river shall not be deemed to be "an approach" for the purpose of this Regulation.

4. (a) A sufficient number of first-aid boxes or cupboards of a standard to be **prescribed** shall be provided at every working place and, if more than one is provided, at reasonable distances from each other.

(b) A first-aid box or cupboard shall be distinctly marked, and if provided after the date of these Regulations shall be marked plainly with a white cross on a red ground.

5. Nothing except appliances or requisites for first aid shall be kept in a first-aid box or cupboard.

6. A first-aid box or cupboard shall be kept stocked and in good order and shall be placed under the charge of a responsible person who shall always be readily available during working hours. Such person shall, except at docks, wharves or quays at which the

total number of **persons employed** at any time does not exceed fifty, be a person trained in first aid.

7. There shall be provided for use at every dock, wharf or quay at which the total number of **persons employed** at any time exceeds fifty, a suitably constructed ambulance carriage maintained in good condition, for the purpose of the removal of serious cases of accident or sickness, unless arrangements have been made for obtaining such a carriage when required from a hospital or other place situate not more than two miles from the dock, wharf or quay, and in telephonic communication therewith.

8. Notices shall be exhibited in prominent positions at every dock, wharf or quay stating—

(a) the position of each first-aid box and the place where the person in charge thereof can be found,

(b) the position of stretchers or other appliances;

(c) the position of the ambulance carriage or, where such is not provided, the position of the nearest telephone and the name and telephone number of the hospital or other place from which such carriage may be obtained.

PART II.

9. If a ship is lying at a wharf or quay for the purpose of loading or unloading or coaling, there shall be safe means of access for the use of **persons employed** at such times as they have to pass from the ship to the shore or from the shore to the ship as follows:—

(a) Where a gangway is reasonably practicable a gangway not less than twenty two inches wide, properly secured, and fenced throughout on each side to a clear height of two feet nine inches by means of upper and lower rails, taut ropes or chains or by other equally safe means.

(b) In other cases a ladder of sound material and adequate length which shall be properly secured to prevent slipping.

Provided that nothing in this Regulation shall be held to apply to cargo stages or cargo gangways if other proper means of access is provided in conformity with these Regulations.

Provided also that as regards any sailing vessel not exceeding 250 tons net registered tonnage and any steam vessel not exceeding 150 tons gross registered tonnage this Regulation shall not apply if and while the conditions are such that it is possible without undue risk to pass to and from the ship without the aid of any special appliances.

10. If a ship is alongside any other ship, vessel, or boat, and persons employed have to pass from one to the other, safe means of access shall be provided for their use, unless the conditions are such that it is possible to pass from one to the other without undue risk without the aid of any special appliance.

If one of such ships, vessels, or boats is a sailing barge, flat, keep, lighter or other similar vessel of relatively low freeboard, the means of access shall be provided by the ship which has the higher freeboard.

11. If the depth from the level of the deck to the bottom of the hold exceeds a five feet, there shall be maintained safe means of access by ladder from the deck to the hold in which work is being carried on and by ladder, cleats or cups on the coamings.

In particular such access shall not be deemed to be safe—

(a) Unless the ladders between the lower decks are in the same line as the ladder from the top deck, if the same is practicable having regard to the position of the lower hatch or hatches.

(b) Unless in the case of ladders provided on bulkheads and in trunk hatchways secure hand and foothold is afforded, the sides are continuous and a space of not less than four and a half inches is left behind the rungs.

(c) Unless the cloats or cups provided on coamings (i) stand out not less than four and a half inches for a width of at least ten inches; (ii) are so constructed as to prevent a man's foot slipping off the side; (iii) are placed vertically one above the other and in the same line as the ladders to which they give access.

(d) Unless the cargo is stowed sufficiently far from the ladder to leave at each rung of the ladder sufficient room for a man's feet.

(e) If there is not room to pass between a winch or other obstruction and the coamings at the place where the ladder leaves the deck.

(f) If the ladder is recessed under the deck more than is reasonably necessary to keep the ladder clear of the hatchway.

Provided that where the provision of a ladder on a bulkhead or in a trunk hatchway can be thrown to be reascnably impracticable, cleats or cups shall be provided and shall comply with the requirements of paragraph (e).

12. When the **processes** are being carried on—

(a) the places in the hold and on the decks where work is being carried on.

(b) the means of access provided in pursuance of Regulations 9 and 10, and

(c) all parts of the ship to which **persons employed** may be required to proceed in the course of their employment,

shall be efficiently lighted, due regard being had to the safety of the ship and cargo, of all **persons employed** and of the navigation of other vessels and to the duly approved Bye-laws or Regulations of any authority having power by statute to make Bye-laws or Regulations subject to approval by some other authority.

13. All fore and aft beams and thwartship beams used for hatch covering shall have suitable gear for lifting them on and off without it being necessary for any person to go upon them to adjust such gear.

14. All hatch coverings shall be kept plainly marked to indicate the deck and hatch to which they belong and their position therein provided that this Regulation shall not apply in cases where all the **hatch** coverings of a ship are interchangeable or, in respect of marking of position, where all **hatch** coverings of a **hatch** are interchangeable.

15. All fore and aft beams, and thwartship beams used for **hatch** covering and all **hatch** coverings shall be maintained in good condition.

16. Adequate hand grips shall be provided on all hatch coverings, having regard to their size and weight.

17. Where the working space around a **hatch** is less than two feet wide, such provision shall be made as will enable **persons employed** to remove and replace in safety all fore and aft beams and thwartship beams used for **hatch** covering and all **hatch** coverings.

PART III.

18. (a) All **machinery** shall have been tested and examined by a competent person before being taken into use and (i) all derricks and permanent attachments, including bridle chains, to the derrick, mast and deck, used in hoisting or lowering shall be inspected once in every twelve months and be thoroughly examined once at least in every four years ; (ii) all other **machinery** shall be thoroughly examined once at least in every twelve months.

(b) A certificate signed by the person making the test and specifying the safe working load shall be attached to the **prescribed** register, in which shall also be entered the dates on which the in-

spections and examinations required under paragraphs (a) (i) and (a) (ii) of this Regulation are made.

19. (a) No chain, ring, hook, shackle or swivel shall be used in hoisting or lowering unless a certificate of test and examination in the **prescribed** form and containing the **prescribed** particulars shall have been obtained.

(b) All chains, other than bridle chains attached to derricks or masts, and all rings, hooks, shackles and swivels used in hoisting or lowering shall, unless they have been subjected to such other heat treatment as may be **prescribed,** be effectually annealed as follows :—

(i) half inch and smaller chains, rings, hooks, shackles and swivels in general use, once at least in every six months.

(ii) All other chains, rings, hooks, shackles and swivels in general use once at least in every twelve months.

Provided that in the case of such gear used solely on cranes and other hoisting appliances worked by hand, twelve months shal be substituted for six months in paragraph (i) and two years for twelve months in paragraph (ii).

Provided also that where the Chief Inspector of Factories is of opinion that, owing to the size, design, material or infrequency of use of any such gear other than chains, the requirement of this Regulation as to annealing is not necessary for the protection of **persons employed,** he may by certificate in writing (which he may in his discretion revoke) exempt any such gear from such requirement subject to such conditions as may be specified in such certificate.

(c) All chains, other than bridle chains attached to derricks or masts, and all rings, hooks, shackles and swivels shall be inspected by a competent person immediately before each occasion on which they are used in hoisting or lowering, unless they have been inspected within the preceding three months.

(d) All chains, rings hooks, shackles or swivels used in hoisting or lowering which have been lengthened, altered or repaired by welding shall be adequately tested and re-examined.

20. (a) No rope shall be used in hoisting or lowering unless—

(i) it is of suitable quality and free from patent defect,

(ii) in the case of wire rope, other than wire rope purchased before the 1st April 1925, a certificate in the prescribed form and containing the prescribed particulars has been obtained from the makers.

(b) Every wire rope in general use for hoisting or lowering shall be inspected by a competent person once at least in every three months, provided that after any wire has broken in such rope it shall be inspected once at least in every month.

(c) No wire rope shall be used in hoisting or lowering if in any length of eight diameters the total number of visible broken wires exceeds ten per cent of the total number of wires, or the rope shows signs of excessives wear, corrosion or other defect which, in the opinion of the person who inspects it, renders it unfit for use.

(d) A thimble or loop splice made in any wire rope shall have at least three tucks with a whole strand of the rope and two tucks with one half of the wires cut out of each strand. The strands in all cases shall be tucked against the lay of the rope. Provided that this Regulation shall not operate to prevent the use of another form of splice which can be shown be as efficient as that laid down in this Regulation.

21. No pulley, gin, block, or other similar gear shall be used in hoisting or lowering unless the safe working load is clearly stamped upon it.

22. Means shall be provided to enable any person using a chain or wire rope sling to ascertain the safe working load for such chain or sling under such conditions as it may be used. Such means shall consist of either :—

(a) marking the safe working load in plain figures or letters upon the sling or upon a tablet or ring of durable material attached securely thereto ; or

(b) stating upon a notice or notices so exhibited as to be easily read by any person concerned, the safe working loads for the various sizes of chains and wire ropes used.

23. Chains shall not be shortened by tying knots in them and suitable packing shall be provided to prevent the links coming into contact with sharp edges of loads of hard material.

24. The dates of last annealing of chains required to be made by these Regulations shall be entered in the prescribed register.

25. All motors, cog-wheels, chain and friction-gearing, shafting and live electric conductors shall (unless it can be shown that by their position and construction they are equally safe to every person employed as they would be if securely fenced) be securely fenced so far as is practicable without impeding the safe working of the ship and without infringing any requirement of the Board of Trade.

26. The lever controlling the link motion reverting gear of a crane or winch shall be provided with a suitable spring or other locking arrangement.

27. The driver's platform on every crane or tip driven by mechanical power shall be securely fenced and shall be provided with safe means of access. In particular where access is by a ladder :—

(a) the sides of the ladder shall extend to a reasonable distance beyond the platform or some other suitable handhold shall be provided ;

(b) the landing place on the platform shall be maintained free from obstruction ;

(c) in cases where the ladder is vertical and exceeds thirty feet in height, a resting place shall be provided approximately midway between the platform and the foot of the ladder.

28. Every shore crane shall have the safe working load plainly marked upon it, and if so constructed that the safe working load may be varied by the raising or lowering of the jib or otherwise, shall have attached to it an automatic indicator of safe working loads, provided that, in cases where the jib may be raised or lowered, provision on the crane of a table showing the safe working loads at the corresponding inclinations of the jib shall be considered sufficient compliance.

29. Adequate measures shall be taken to prevent exhaust steam from, and so far as is practicable, live steam to any crane or winch obscuring any part of the decks, gangways, stages, wharf, or quay where any person is employed in the processes.

30. (a) No machinery chains or other lifting appliance shall be loaded beyond the safe working load except that a crane may be loaded beyond the safe working load in exceptional cases to such extent and subject to such conditions as may be approved by the engineer in charge or other competent person, if on each occasion :—

(i) the written permission of the owner or his responsible agent has been obtained ;

(ii) a record of the overload is kept.

(b) No load shall be left suspended from a crane, winch, or other machine unless there is a competent person actually in charge of the machine while the load is so left.

31. A person under 16 years of age shall not be employed as driver of a crane or winch, whether driven by mechanical power or otherwise, or to give signals to a driver or to attend to cargo falls on winch-ends or winch-bodies.

32. Where goods are placed on a wharf or quay other than a wharf or quay on a shallow canal—

(a) A clear passage loading to the means of access to the ship required by Regulation 9 shall be maintained on the wharf or quay : and

(b) If any space is left along the edge of the wharf or it shall be at least three feet wide and clear of all obstructions other than fixed structures, plant and appliances in use.

33. (a) No deck-stage or cargo-stage shall be used in processes unless it is substantially and firmly constructed and adequately supported, and, where necessary, securely fastened.

(b) No truck shall be used for carrying cargo between ship and shore on a stage so steep as to be unsafe.

(c) Any stage which is slippery shall be made safe by the use of sand or otherwise.

34. (a) Where there is more than one **hatchway**, if any **hatch** of a hold exceeding five feet in depth measured from the level of the deck in which the **hatch** is situated to the bottom of the hold, is not in use for the passage of goods, coal or other material, or for trimming, and the coamings are less than two feet six inches in height, such **hatch** shall either be fenced to a height of three feet or be securely covered.

Provided that this Regulation shall not apply (i) during meal times or other short interruptions of work during the period of employment, (ii) to trimming **hatches** which are not accessible to **persons employed.**

(b) **Hatch** coverings shall not be used in the construction of deck or cargo stages, or for any other purpose which may expose them to damage.

(c) Hatch covering shall be replaced on the Hatches in the positions indicated by the markings made thereon in pursuance or Regulation 14.

35. No cargo shall be loaded or unloaded by a fall or sling at any intermediate deck unless either the **hatch** at that deck is securely covered or a secure landing platform of a width not less than that of one section of hhatch coverings as been placed across it.

Provided that this Regulation shall not apply to any process of unloading the whole of which will be completed within a period of half an hour.

36. When the working space in a hold is confined to the square of the **hatch** hooks shall not be made fast in the hands or fastenings of bales of cotton, wool, cork, gunny bags or other similar goods, except for the purpose of breaking out or making up slings.

37. When work is proceeding on any skeleton deck, adequate staging shall be provided unless the space beneath the deck is filled with cargo to within a distance of two feet of such deck.

38. The beams of any **hatch** in use for the **processes** shall, if not removed, be adequately secured to prevent their displacement.

39. When cargo is being loaded or unloaded by a fall at a **hatchway,** a signaller shall be employed, and where more than one fall is being worked at a **hatchway,** a separate signaller shall be employed to attend to each fall.

Provided—

(i) That this Regulation shall not apply in cases where a barge, lighter or other similar vessel is being loaded or unloaded if the driver of the crane or winch working the fall has a clear and unrestricted view of those parts of the hold where work is being carried on.

(ii) That where the Chief Inspector is of opinion that, owing to the nature of the crane or winch or other appliance in use or by reason of any special arrangements, the requirements of this Regulation are not necessary for the safety of **persons employed** he may by certificate in writing (which he may in his discretion revoke) suspend such requirements subject to such conditions as may be specified in such certificate.

PART V.

40. No person shall, unless duly authorised or in case of necessity, remove or interfere with any fencing, gangway, gear ladder, life-saving means or appliances, lights, marks, stages or other things whatscever required by these Regulations to be provided.

41. The fencing required by Regulation I shall not be removed except to the extent and for the period reasonably necessary for carrying on the work of the deck or ship, or for repairing any fencing. If removed it shall be restored forthwith at the end of that period by the persons engaged in the work that necessitated its removal.

42. Every person employed shall use the means of access provided in accordance with Regulations 9, 10 and 11, and no person shall authorise or order another to use means of access other than those provided in accordance therewith.

43. No person shall go upon the fore and aft beams and thwartship beams for the purpose of adjusting the gear for lifting them on and off nor shall any person authorise or order another to do so.

PART VI.

44. No employer of persons in the processes shall allow machinery or gear to be used by such persons which does not comply with Part III of these Regulations.

45. If the persons whose duty it is to comply with Regulations 9, 10 and 12 fail so to do, then it shall also be the duty of the employers of the persons employed for whose use the means of access and the lights are required, to comply with the said Regulations within the shortest time reasonably practicable after such failure.

46. Every certificate referred to in these Regulations shall be entered in or attached to the prescribed register, and the register shall be kept on the premises unless some other place has been

approved in writing by the Chief Inspector and shall, on the application of any of H. M. Inspectors of Factories, be produced by a person in charge thereof; if it relates to the machinery e. g. gear of a ship and is kept on the ship, it shall be produced together with the certificate of the ship's register, by the officer for the time being in charge of the ship.

W. Joynson-Hicks,
One of His Majesty's Principal
Secretaries of State.

No. 2749, dated Bombay, 5th December 1928.

From Chamber to the Government of Bombay, Marine Department, Bombay.

With reference to your letter of the 24th September 1928 No. 1016/1808-M, my Committee beg to send hereby their views regarding protection of workers employed in loading and unloading of goods and coaling ships at Docks, Wharves, [etc. They have considered letter from the Government of India, Department of Commerce, No. 712-S (3) to the Government of Bombay, Marine Department. My Committee are of opinion that no case has been made out by Government for introducing the legislation, on the lines suggested in the communication from the Government of India. In the absence of necessary figures and information as regards accidents in docks, wharves, quays, etc., it is very difficult to arrive at any definite conclusion on the question of the desirability of introducing legislation Government have in view.

In para 2 of the letter it is stated that the Government of India are not aware whether there are any regulations at present in force in the Indian Ports dealing with the above matter and whether they are considered adequate in actual practice. While my Committee appreciate the desire of Government to acquaint themselves with the conditions as they may be existing at present, they consider it essential that Government should place the necessary data before the commercial bodies which may warrant justify or suggest the necessity of such new legislation. So far

as the present case is concerned, it would have been much better if Government had supplied the commercial bodies at least with information as to the number and nature of the accidents to workers employed in loading and unloading goods and coaling ships at docks, etc. Without such necessary information it is difficult for the general public and the interests concerned to realise whether any necessity for the proposed legislation has arisen. It is the general impression that the number of accidents on roads and railways is far much larger than the number of accidents in docks, wharves, quays, etc. My Committee beg, therefore, to suggest that this aspect of the question should also be considered and the commercial bodies supplied with the necessary data, so that they can consider more effectively such suggestions as come from Government.

My Committee have gone through the rules made under Section 79 of the English Factories and Workshops Act, 1901, enclosed with the communication from Government. The regulations have been apparently made with a view to prevent accidents to workers employed in loading and unloading goods and coaling ships at docks, wharves, etc. Two important sets of obligations have been laid : one set of obligations on authorities connected with docks, wharves, etc., and another set on shipowners. Both the shipowners and the dock authorities in this country have taken the necessary precaution, so far as the information of my Committee goes, to prevent accidents of the nature referred to in the regulations, and unless a case is made out by placing before them the number and nature of accidents happening in the docks, it will be difficult to decide as to the necessity for introducing such legislation in this country.

So far as the obligation imposed on the dock authorities referred to in Part-I are concerned, my Committee approve of the suggestion of putting a sufficient number of first-aid boxes or cupboards and the Port Trust authorities may be requested to act accordingly. My Committee also approve of the suggestion about the Ambulance carriage referred to in rule 7. The Port Trust authorities may be requested to incorporate that suggestion in

their rules if it does not already exist there. Precautions mentioned in other rules of Part-I are, my Committee understand, already taken by the authorities concerned.

As regards Part-II, which refers to obligations on ship-owners, the suggestions made in rules 9, 10, 12, 14, 15 and 16 are not new and that the precautions referred to therein actually exist in practice.

As regards rule 11, the existing ladders in the holds of the ships may be considered unsafe by those who are not used to it. Any alterations that may have to be made in the location of such ladders can only be decided by Naval Architects.

As regards rule 13, it is rather impossible to provide such space in small ships and even in large ships where deck erections occupy considerable space.

Part III: Precautions referred to in rules 18 to 29 are more or less in force already. The Chief Engineer and the Chief Officer of the ship look after the gear referred to in those rules.

Before, however, my Committee could agree to the suggestion that an outside authority like the Chief Inspector of Factories or his staff should be the real authority who should inspect the gear in question and certify the same before it is used, my Committee would like to point out the important difference in the working of the ship in England and in this country. When a ship arrives into a Port in England the usual practice, except for ships of some important Lines, is that the crew is paid off, on the day after the arrival of the ship, and riggers or temporary seamen, i.e., seamen who do not care to go to sea are engaged in their places. The Captain and Officers are on the articles, but they generally take a holiday. In India, however, such is not the case. Articles are signed for six or twelve months and the crew continues in active service when the ship is loading or discharging at a Port. The result is that the gear in use is continually examined by the crew under the supervision of the Chief Engineer or the Chief Officer in Ports in India. This is not the case in ships when they are loading and unloading in England. My Committee, therefore, feel

that what may be considered desirable or necessary in England is not always necessary in India, conditions being quite different. As a general rule, as sufficient precautions are being taken by the Chief Officer and the Chief Engineer under the discretion of the Captain in connection with the gear on the ship it should not be made incumbent on them to allow an outside authority to examine and test it and certify it as suggested in the rules.

The same remarks apply to rules from 30 to 39. These rules are good in themselves. My Committee have no objection if it is made obligatory that the slings or chains used in loading and unloading should be duly tested and certified.

My Committee have no objection to rule 31.

So far as other precautions are concerned, they more or less exist in actual practice.

Rules 40, 41 and 42 merely follow from the previous rules. Rule 43 is a good rule in itself, but, my Committee are afraid, not always practicable.

My Committee are in agreement with rule 44, and regarding rule 45, they agree subject of course to the remarks made above in regard to the necessity for such legislation.

APPENDIX 16.

APPOINTMENT OF ADVISORY COMMITTEES (SHIPPING) UNDER INDIAN MERCHANT SHIPPING ACT 1928.

No. 831-1027-M, Bombay Castle, 25th May 1928.

From the Government of Bombay, Marine Department, to Chamber.

With reference to Government Letter No. 832-1983-M., dated the 18th November 1927, I am directed by the Governor in Council to forward herewith a copy of a letter No. 186-S(47), dated the 17th May 1928, from the Government of India in the

Department of Commerce, on the subject of Merchant Shipping Advisory Committees, together with copies of section 8 of the Indian Merchant Shipping (Amendment) Act, 1928, and the Report of the Select Committee referred to in that letter, and to request that you will be so good as to favour Government with the opinion of your Chamber on the question by the 5th July 1928, at the latest.

Copy of Letter from the Government of India, Department of Commerce, No. 186-S (47), dated the 17th May 1928 :—

"I am directed to forward a copy of the papers specified on the margin, relating to the Indian Merchant Shipping (Amendment) Act, 1928, which was passed by the Indian Legislature in March last.

1. The Indian Merchant Shipping (Amendment) Act, 1928.
2. Report of the Select Committee on the Bill.

"2. Section 8 of the Amending Act empowers the Governor General in Council to "appoint Committees for the purpose of advising him when considering the making or alteration of any rules or scales under the Act, consisting of such persons as he may appoint representing the interests principally affected, or having special knowledge of the subject matter". The Honourable the Commerce Member, when moving that the Indian Merchant Shipping (Amendment) Bill be taken into consideration, undertook to consult commercial opinion on the question of the composition and functions of the Committee or Committees, and to consider in the light of the opinion received whether it was desirable to define these by statute. I am accordingly to request that the Government of India may be favoured with the views of the Government of Bombay after consulting such commercial opinion as they think desirable, on the following questions :—

(*i*) whether there should be only one Advisory Committee dealing possibly through sub-committees with

various aspects of merchant shipping, orwhether there should be a series of committees ;

(*ii*) what should be the composition of the Committee or Committes as the case may be

(*iii*) what should be their functions; and

(*iv*) whether a specific provision should be embodied in the law regulating the composition and functions of the Committee or Committees, or whether the present provision, which permits a more elastic procedure, is preferable."

Copies of section 8 of the Indian Merchant Shipping (Amendment) Act, 1928, and the Report of the Select Committee on the Bill.

8. After section 294 of the said Act, the following section

(Insertion of new section 294 A in Act XXI of 1923) shall be inserted, namely :—

"294 A. (1) The Governor General in Council may, if

(Power to appoint Committees to advise on rules and scales.) he thinks fit to appoint Committees for the purpose of advising him when considering the making or alteration of any rules or scales under this Act, consisting of such persons as he may appoint representing the interests principally affected, or having special knowledge of the subject-matter.

(2) There shall be paid to the members of any such Committee such travelling and other allowances as the Governor General in Council may fix.

(3) Committees may be appointed under this section to advise the Governor General in Council especially as regards any special rules or scales, or generally as regards any class or classes of rules or scales which the Governor General in Council may assign to them."

GOVERNMENT OF INDIA, LEGISLATIVE DEPARTMENT.

We, the undersigned Members, of the Select Committee to which the Bill further to amend the Indian Merchant Shipping Act, 1923, in order to vest in the Governor-General in Council the control of matters covered by that Act was referred, have considered the Bill and have now the honour to submit this our Report, with the Bill as amended by us annexed thereto.

2. We have inserted a new clause between clauses 7 and 8 of the Bill as introduced. This clause inserts after section 294 of the Act a section based on section 79 of the Merchant Shipping Act, 1906, giving power to the Governor-General in Council to appoint Advisory Committees. We consider this to be a suitable provision to introduce into a Bill which removes the control of merchant shipping from various Local Governments, and centralises it in the hands of the Governor-General in Council. The maritime Local Governments are in a position to keep in touch with mercantile opinion, and the proposed machinery of Advisory Committees is designed to secure this advantage to the central Government.

3. We discussed the question of including provisions governing the composition and powers of these Advisory Committees, but decided to adopt the model of section 79 of the Merchant Shipping Act, 1906, which will enable Government to consult mercantile opinion and to constitute these Committees in a manner conformable thereto. If mercantile opinion should be in favour of defining the composition and powers of these Committees by statute, Government could consider the question of further legislation.

4. We have made small drafting amendments in the items of the Schedule relating to sections 191 and 254 of the Act.

5. The Bill was published in the Gazette of India, dated the 4th February 1928.

6. We think that the Bill has not been so altered as to require re-publication, and we recommend that it be passed as now amended.

K. C. NEOGY,
G. RAINY,
PURSHOTAMDAS THAKURDAS,
B. S. MOONJE,
SARABHAI N. HAJI,
M. A. AZIM,
T. COUPER,
B. DAS,
W. S. J. WILSON,
ABDUL HAYE.

The 1st March 1928.

No. 1501 dated 27th June 1928.

From Chamber to the Government of Bombay, Marine Department, Bombay.

With reference to your letter dated 25th May 1928, No. 831-1027-M, I am directed to submit the views of my Committee on the subject as under:—

They are of opinion that there should be one Central Advisory Committee, with sub-committees at Bombay and Calcutta. My Committee propose that the constitution of this Central Advisory Committee should be on the model of the British Merchant Shipping Advisory Committee. The British Merchant Shipping Advisory Committee is composed of Britishers only (No non-British interests are represented)

and

Represents the following interests :—

Shipowners
Underwriters
Naval Architects
Pilots
Deck Officers
Engineer Officers
Wireless Operators

Seamen
Firemen
Stewards and
Cooks.

The British Committee is usually appointed for two years and selects its own Chairman and has as its Secretary a nominee of the Board of Trade.

The above facts with regard to the British Merchant Shipping Advisory Committee will indicate the nature of the Committee that should be set up in India.

As regards the composition of the Committee, my Committee make the following recommendations:—

(*a*) Though the aim should be to have eventually only Indians on the Committee, it is desirable in view of the existing state of affairs to provide for some Non-Indians as members for the present.

(*b*) Indian Shipping should be separately represented on the Committee as has been done in the case of the Light-House Committee and no non-Indian shipping should be represented as such.

(*c*) The Committee should include the following interests :—

The Federation of Indian Chambers
The Association of European Chambers
Indian Shipowners
Deck Officers
Engineer Officers
Deck Crew
Saloon Crew
Engine Crew
Wireless Operators
Underwriters
Port Officer

Nautical Adviser to the Government of India
Chief Surveyor to the Government of India.

My Committee would like to emphasise that a predominant Indian majority should be secured whatever be the total strength of the Committee.

The constitution of the sub-committee at Bombay should be as follows:—

(1) A representative of the Indian Merchants' Chamber
(2) Do. do. Bombay Chamber
(3) Do. do. Indian Shipowners
(4) Do. do., Bombay Port Trust, and
(5) Do. do. Indian Seamen's Union.

The functions of the proposed Central Advisory Committee should be as follows:—

I. SHIPS:

1. Registry of Ships,
2. Seaworthiness of Ships,
3. Life Saving Appliances and Organisation,
4. Surveys of Ships,
5. Wireless Telegraphy on board,
6. Stowage of all kinds of cargoes—Grain and Timber.

II. CREWS OF SHIPS:

1. Examinations of Competency for Officers and Engineers,
2. Spaces for Officers and Crews,
3. Inspection of Ships Provisions,
4. Rations of Crews,
5. Recruitment, employment and discharge of Crews,
6. Health of Crews,
7. Medical Inspection of Crews,
8. Relief of Distressed Seamen to whom Merchant Shipping Acts apply,
9. Relief of Distressed Seamen to whom Merchant Shipping Acts do not apply,

10. Indentures of Apprentices,
11. Discipline on board ships,
12. Shipping Offices.

III. LICENSES:

1. Licenses to supply Seamen,
2. Licenses for Inland Navigation,
3. Licenses for Coastal Navigation.

IV. CARRIAGE OF PASSENGERS:

1. Passenger ships,
2. Native Passenger ships,
3. Emigrant ships,
4. Pilgrim ships,
5. Medical Inspection of Passengers.

V. PORTS:

1. Pilotage and Harbours.

My Committee beg to suggest that all ships plying on inland and coastal waters should be required to be licensed, and also that the composition and functions of the Committee outlined above, should be embodied in a statute.

APPENDIX 17.

PROPOSED REVISION OF THE EXISTING RULES FOR PILGRIM SHIPS.

No 3082-11529-C, Bombay Castle, 5th September 1928,

From the Government of Bombay General Department, to Chamber, Bombay.

Subject:—Proposed revision of the existing rules for pilgrim ships.

I am directed by the Governor in Council to forward here wtih a opy of Government Resolution No. 3082-11529, dated the 5th September 1928, regarding the * proposed revision of the

*Draft Rules are not printed. Vide File No. R. 88 of 1928.

existing rules for pilgrim ships, and to request that you will be so good as to communicate to Government by the 20th October 1928 at the latest any observations which your Chamber may desire to make.

Pilgrim Ships.

REVISION OF RULES FOR—

Government of Bombay, General Department.

Resolution No. 3082-11529, Bombay Castle, 5th September 1928.

*Letter from the Government of India, Department of Education, Health and Lands, No. 1322-Health (G), dated the 1st/21st August 1928 :—

Resolution :—Copies of the letter from the Government of India and its accompaniments should be forwarded to the Port Officer, Bombay, the Commissioner in Sind, the Political Resident Aden, the Surgeon General with the Government of Bombay, the Commissioner of Police, Bombay, the Chairmen, Bombay and Karachi and Aden Port Trusts, the Health Officers of the Ports of Bombay, Karachi and Aden, the Chambers of Commerce, Bombay and Karachi, the Indian Merchants' Chamber, Bombay, the Buyers' and Shippers' Chamber, Karachi, and the Karachi Indian Merchants' Association and they should be requested to communicate their views to Government on the draft notifications embodying the tentative proposals of the Government of India for the revision of the existing rules for pilgrim ships as well as the other points raised by them not later than the 20th October 1928.

2. The Chairmen, Karachi and Aden Port Trusts, should submit their reports through the Commissioner in Sind and the Political Resident, Aden, respectively, and the Health Officers of the Ports of Bombay, Karachi and Aden, through the Surgeon General with the Government of Bombay.

3. The Port Officer, Bombay, the Commissioner in Sind and the Political Resident, Aden, should be requested to forward with

their remarks the opinions of the Shipping Companies concerned within their respective jurisdictions.

4. The Commissioner in Sind and the Commissioner of Police, Bombay, should also be requested to submit with their remarks the views of any other bodies or individuals interested in the matter.

By order of the Governor in Council,

A. H. DRACUP,

Under Secretary to Government.

The Port Officer, Bombay,
The Commissioner in Sind,
The Political Resident, Aden,
The Commissioner of Police, Bombay,
The Chairmen, Bombay, Karachi and Aden Port Trusts,
The Surgeon General with the Government of Bombay,
The Health Officers of the Ports of Bombay, Karachi and Aden,
**The Chamber of Commerce, Bombay,
*The Chamber of Commerce, Karachi,
*The Indian Merchants' Chamber, Bombay,
*The Karachi Indian Merchants' Association, Karachi,
*The Buyers' and Shippers' Chamber, Karachi.

**By letter.

*Appended.

Letter from the Government of India, Department of Education, Health and Lands, No. 1322-Health (G)., dated the 1st/21st August 1928 :—

"In continuation of this Department letter No. 1295-Health dated the 30th August 1927, I am directed to forward for information copies of two draft notifications embodying the tentative proposals of the Government of India for the revision of the existing rules for pilgrim ships, in the light of the International Sanitary Convention of 1926, and to request that, with the

permission of the Governor in Council the views of the Chambers of Commerce, Shipping Companies, Port Trusts, Port Health Officers and other bodies or individuals interested in the matter may be obtained and communicated to the Government of India, with the observations of the local Government as early as possible. Opinion is also invited on the following points :—

(a) whether it would be desirable and practicable to require that all pilgrims shall be rationed with cooked food by the ship during the voyage. See Article 107 of the Convention ;

(b) whether specific legislation should be undertaken to provide for the payment of compensation to pilgrims in cases referred to in Article 152 of the Convention ;

(c) whether the Indian Merchant Shipping Act, 1923, should be amended so as to bring the penalties prescribed under that Act into line with the requirements of Articles 152 to 159 of the Convention, taking Rs. 10 as the equivalent of 25 gold francs ; and

(d) whether higher money penalties should be imposed under sections 167 (1) and 201 (2) of the Indian Merchant Shipping Act, as in Articles 157 and 156 respectively of the Convention.

"2. I am to observe that rules 7 to 10 and 12 to 19 in the second draft notification enclosed with this letter are only a reproduction, with formal drafting alterations, of the corresponding provisions in the rules published with the Government of India, Home Department, notification No. 1902 (Sanitary), dated the 14th October 1910. The question of framing new rules regarding the provision on pilgrim ships of (i) boats and life-saving appliances and (ii) apparatus for extinguishing fires and precautions against fire, is, however, engaging the attention of the Government of India and the local Government will be addressed further on these points.

No. 2467 dated 1st November 1928.

From Chamber to the Government of Bombay, General Department, Bombay.

With reference to your letter No. 3082-11529-C, dated 5th September 1928, I am directed to send hereby the views of my Committee on the above subject:—

My Committee have considered the draft rules for Pilgrim Ships sent along with your letter, and have to observe that the rules generally speaking meet with their approval. There are a few minor points to which they would like to refer:

Rule 35 (2): It seems to my Committee impracticable that the Master of the Ship shall see that fires adequate for cooking are kept lighted thereat from 6 A. M. to 9 P. M.

(3). As a general rule, Mahomedan pilgrims cook their own food. The ships will have to provide food only for destitute pilgrims. The rule seems to be very objectionable because if it is sanctioned, pilgrim ship carrying 1000 pilgrims will have to carry 30 cooks on ship's account. Not only will this require an amount of space for accommodation, but is likely to add to the existing burdens on the ship. Such burdens may be imposed if they are absolutely necessary either on grounds, sanitary or humanitarian. That is, however, not the case, and provision, therefore, should only be made for the supply of food according to the number of destitute pilgrims and the carriage of as many cooks as may be necessary for the same.

Rule 56 (5): The word "Master" should be added after the word "Medical Officer" in the first sentence. The Master of the ship is the paramount authority and as such he should have access everywhere. Instances have come to the knowledge of my Committee when the Medical Officer was afraid to go over such cases of sickness referred to in that section. The Commander of the ship, therefore, must have unimpaired authority in such matters and consequently he should have free access everywhere and under all circumstances.

Rule 66: My Committee would prefer that two latrines should be provided for every 100 pilgrims, as recommended in Article 102 of the International Sanitary Convention. They are further of opinion that the latrines should be permanent and the percentage should not be less than that fixed by Government. It is stated that "no latrine shall be allowed either on tween decks or in the hold." It is further observed that the latrines should be confined to the upper deck only. This seems to be very curious. Supposing a modern passenger carrying vessel like the s. s. "Arankola" or the s. s. "Vita" is placed for a run to the Hedjaz as a pilgrim ship They will have no latrines on the upper deck. They have got latrines in the tween decks. They are placed in such a manner as no objection to their location could be taken from the sanitary point of view. The point that should be guarded against is that the filth from the latrine should not ooze out and pass on to the place occupied by the pilgrims. This is the point of view from which the location of the latrines should be determined and no hard and fast rule should be laid down as to their location.

Rule 88: My Committee do not understand why the Inspector shall only be interested in the accommodation of the Compounder and the other attendants of the Medical Officer. As these will have to sign articles of the ship and enter into an agreement with the Commander, accommodation will have to be provided for them according to Law.

Rule 94: It is stated that the Master of the ship shall always be present at the time of the inspection. It may be that he may not remain present in person, as his presence may be required elsewhere. It should, therefore, be suggested that the Master or his duly accredited representative shall be present at such inspection.

Rule 97 (3): My Committee suggest that the words "as soon as practicable" should be substituted for the word "immediately".

Rule 114 (a) (1) : My Committee would suggest the following : "including a record of any reasonable advice not interfering either with the Navigation or safety of the ship" in place of the words "including a record of any advice".

The Government of India have, in their letter dated 21st August, raised four definite questions. The views of my Committee in regard to the same are as under :—

(*a*) They do not think it is a practical proposition that cooked food should be rationed out to all the pilgrims by the ship during the voyage (Article 107 of the International Sanitary Convention). The Mahomedans generally like to have their own food cooked by themselves.

(*b*) Yes, they would agree that legislation should be undertaken to provide for the payment of compensation to all the pilgrims in cases referred to in Article 152 of the International Sanitary Convention.

(*c*) They would strongly oppose the amendment of the Indian Merchant Shipping Act with a view to bring the penalties prescribed under that Act into line with the requirements of Articles 152 to 159 of the International Sanitary Convention taking Rs. 10 as equivalent to 25 gold francs for the very sound reason that the relative Sections of the Indian Merchant Shipping Act not only provide for a fine but also provide for imprisonment. In other words, those who violate the relative Sections may be sent to jail in addition to their having to pay a certain fine.

(*d*) Same remarks as in (c) above.

My Committee are also of opinion that the steamship companies may be requested to consider the advisability of keeping restaurants on lines similar to those found in steamers plying between Calcutta, Rangoon, Straits, etc.

APPENDIX 18.

REVISED RULES.* REGARDING NATIVE PASSENGER SHIPS.

No. 1380 (a)-C, Bombay Castle, 19th October 1928.

From The Government of Bombay General Department, to Chamber.

I am directed by the Governor in Council to say that in February 1928, the Government of India in the Department of Commerce appointed Mr. W. J. Wilton, a Board of Trade Ship Surveyor, and Captain E. W. Whish, R. I. M., to examine the technical questions connected with deck passenger accommodation, life saving appliances, etc., on board native passen ger ships. After an examination of the Report submitted by these officers (copy enclosed), the Government of India have revised, mainly in accordance with the suggestion contained in the Report, the draft rules regarding native passenger ships which were published for criticism in 1925. The revised rules have again been published for criticism in the four notifications and one resolution specified in the margin* which appeared in the Gazette of India of the 16th October 1928.

*1. Notification of the Government of India No. 346-S (2). .. .. ..
2. Notification of the Government of India no. 346-S (2-A). .. .. ..
3. Notification of the Government of India no. 102-S .. .. ..
4. Notification of the Government of India no. 555-S (4). .. .. ..
5. Resolution of the Government of India no. 555-S (6). .. .. ..

2. I am to enclose herewith a copy of the Resolution of the Government of India No. 555-S (6), dated the 6th October 1928, and to request that the views of your Chamber on the revised rules regarding space measurement in native passenger ships mentioned in that Resolution may be forwarded so as to reach Government by the 1st December 1928, at the latest.

* Rules not printed. Vide File No. R. 87 of 1928.

3. I am to add that your Chamber is being addressed separately with regard to the four notifications of the Government of India referred to in paragraph 1 above.

No. 1849 C, Bombay Castle, 19th October 1928.

From The Government of Bombay, General Department, to Chamber.

With reference to my letter No. 1380 (a)-C, dated the 19th October 1928, I am directed by the Governor in Council to enclose herewith a copy of the Notification of the Government of India No. 346-S (2-A), dated the 6th October 1928, and to request that the views of your Chamber on the revised rules contained in that Notification may be forwarded so as to reach Government by the 1st December 1928, at the latest.

2. I am to request that a *separate* reply may be sent to this letter.

No. 1380-(C)-C, Bombay Castle, 19th October 1928.

From The Government of Bombay, General Department to Chamber.

With reference to my letter No 1380 (a)-C, dated the 19th October 1928, I am directed by the Governor in Council to enclose herewith a copy of the Notification of the Government of India No. 346-S (2) dated the 6th October 1928, and to request that the views of your Chamber on the revised rules contained in the Notification may be forwarded so as to reach Government by the 1st December 1928, at the latest.

2. I am to request that a *separate* reply may be given to this letter.

No. 1380-(b)-C, Bombay Castle, 19th October 1928.

From The Government of Bombay, General Department, to Chamber.

With reference to my letter No. 1380 (a)-C, dated the 19th October 1928, I am directed by the Governor in Council to en-

close herewith a copy of the Notification of the Government of India No. 102-S, dated the 6th October 1928, and to request that the views of your Chamber on the revised rules contained in the Notification may be forwarded so as to reach Government by the 1st December 1928, at the latest.

2. I am to request that a *separate* reply may be sent to this letter.

No. 1380-(b)-C, Bombay Castle, 19th October 1928.

From The Government of Bombay, General Department to Chamber.

With reference to my letter No. 1380 (a)-C, dated the 19th October 1928, I am directed by the Governor in Council to enclose herewith a copy of the notification of the Government of India No. 102-8, dated the 6th Octobor 1928, and to request that the views of your Chamber on the revised rules contained in the notification may be forwarded so as to reach Government by the 1st December 1928, at the latest,

2. I am to request that a *separate* reply may be sent to this letter.

No. 2963, dated 22nd December I928.

From Chamber to the Government of Bombay, General Department, Bombay.

Rules regardinig space measurements

I am directed by the Committee of this Chamber to send to you hereby their views on the above subject referred to in your letter of the 19th October 1928, No. 1380 (a)-C.

My Committee regret to note that although the Deck Passenger Committee made its report in 1928 the Government of India have thought it proper to devise the new rules after seven years after the publication of that report. Although the new

scale of space assigned to each passenger is not as liberal as that recommended by the Deck Passenger Committee, it is certainly a considerable improvement on the present unsatisfactory scale. For the sake of comparison the scale under the old and new rules is tabulated below :—

Short voyage fair season	Less than 72 hours.	$\frac{6' \times 4'}{6'}$	36 c.ft.	$\frac{8' \times 4'}{8'}$	48 c. ft.
Short voyage fair season	72 hours & more	$\frac{6' \times 4'}{6}$	36 c.ft.	$\frac{9' \times 4'}{9}$	54 c. ft.
Short voyage foul season		$\frac{1' \times 4'}{1'}$	54 c.ft.	$\frac{10' \times 4'}{10'}$	60 c. ft.
Long voyage	120 Hours & more	$\frac{9' \times 4'}{9'}$	54 c.ft.	$\frac{10' \times 6'}{6'}$	60 c.ft.

It will be observed that there is a fair improvement in the new scale of space measurement. My Committee, however, understand that it is a common experience that during foul weather the upper (weather) deck passengers rush below with their baggages and consequently the between decks are over-crowded. Thus there is encroachment on the space allotted to passengers who occupy the between decks. My Committee, therefore, suggest that the space of these upper (weather) decks should not be measured for the carriage of passengers during the monsoon season and or foul weather unless the upper (weather) decks are fully protected against the rains, and sprays during such weather.

An important point to which, however, my Committee would like to invite the attention of Government is that both rules 3 and 4 lay down that the length of the voyage shall be calculated from Pilot station to Pilot station. This is really very objectionable. Passengers have to pass a fairly long time during the passage of the ships on the river Hooghly while going to Calcutta or coming from Calcutta or the river Irrawady while going to Rangoon or coming from Rangoon. The fact of a ship passing on the river or on sea can have no bearing on the space which should be assigned to a passenger. My Committee, there-

fore, suggest that instead of the words "from Pilot station to Pilot station", the words "from Port to Port" should be substituted in clauses 3 and 4 of the revised rules.

My Committee take this opportunity of pointing out to Government that some of the important recommendations of the Deck Passengers Committee have not been embodied in these revised rules. It is common knowledge that a large portion of the space assigned to passengers is occupied by their luggage. It is, therefore, necessary to adopt the recommendations of the Deck Passengers Committee that the Owners of the ship should make the necessary accommodation for the proper stewage and delivery arrangement of the excess luggage carried. Moreover, there should be sleeping platforms in some of the tween decks—a recommendation to that effect was made by the Deck Passengers Committee on page 31 of the Report. That Committee went to the length of suggesting that no tween deck should be measured unless it is fitted with sleeping platforms. My Committee, therefore, suggest that there should be sleeping accommodation in some of the tween decks more or less on the lines of the sleeping platforms recommended by the Deck Passengers Committee.

No. 2946, dated Bombay, 21st December 1928.

From Chamber to the Government of Bombay, General Department, Bombay.

Rules regarding signals of distress.

I am directed by the Committee of this Chamber to send to you hereby their views on the above subject referred to in you letter of the 19th October 1928, No. 1849-C.

Sub-Clause (2) Section 1: My Committee suggest that the rules should be applied to ships coming for survey on and after the first of April 1929.

Sub-Clause (2) Section 7: It may not always be possible to get signals of same makers as the sockets. Further existing sockets often do not bear the marks of the makers. Discretion should, therefore, be vested in the Surveyors to see that the rockets and socket signals are of the proper type.

No. 2947, dated Bombay, 21st December 1928.

From Chamber to the Government of Bombay, General Department, Bombay.

Rules regarding Fire Extinguishing Appliances.

I am directed by the Committee of this Chamber to send to you hereby their views on the above subjeet referred to in your letter of the 19th October 1928, No. 1380 (c)-C.

Sub-Clause (2) Rule 1: My Committee suggest that this should be made applicable to vessels coming in for survey after the 1st April 1929.

Clauses 4 and 5 (1): The nature of the arrangement requir ed should be defined. In the absence of such a clear indication different surveyors may take different views.

Clause 11: My Committee do not understand the necessity for making it obligatory on ships to carry these fluid fire extinguishers.

No. 2944, dated Bombay,21st December 1928.

From Chamber, to the Government of Bombay, General Department, Bombay.

Rules regarfling Life Savin g Applianes

I am directed by the Committee of this Chamber to send to you hereby their views regarding the above subject referred to in your letter of the 19th October 1928, No. 1380-(b)-C.

Regarding the scale of Life Saving Appliances as laid down in Clauses 1 to 27, my Committee would suggest that so far as foreign going steamships of Class-I are concerned, if the ship cannot carry additional Life Boats in addition to the minimum number of Life Boats required by Sections 4 and 5 in the manner required under section 7, that is, which cannot be safely stowed and promptly launched, discretion must be vested in the Surveyor to exempt that ship from the obligation to carry such additional number of life boats but to ask the ship to carry Buoyant apparatus to that extent.

Section 11: Sub-clause (2) (a): It is made obligatory on foreign going ships of Class-II that they shall at least carry on motor boat. My Committee are of opinion that the same obligation should be levied on foreign going steamships of Class-I also and that the necessary provision should be made in Clause 8 to that effect.

Clause 26: It is laid down that every sailing ship shall carry at least two Life Buoys. My Committee suggest that the number of Life Buoys to be carried should be increased in accordance with the length of the sailing ship more or less on the same lines as Clause 9 of the rules applicable to the steamships.

Clause 28 : My Committee suggest that in case the shipowner is dissatisfied with the decision of the authority, an appeal should lie to an impartial body, like that of the Board of Trade in England, and that the Merchant Shipping Advisory Committee proposed to be formed under the revised Merchant Shipping Act may be the Authority of Appeal in India.

Clauses 29 to 46 : My Committee generally approve of them.

Clause 47 : In order to enable the owners of the existing passenger steamers with their limited resources to comply with all the additional Life Saving Appliances required under the new rules, my Committee suggest that instead of compelling them to fit their boats with the necessary appliances before the first

annual survey that comes off after the 1st April 1929, discretion should be vested in the Surveyors to call upon the Owners of those ships to see that the necessary appliances are fitted in them within the period of three years from the time the new rules come into force. In short, there should be progressive realisation within a stipulated period of time.

Clause 48 : My Committee approve of the suggestion, though it is likely to place an additional burden on the shipowners. The Clause requires that the Life Boat men must obtain a certificate of efficiency issued by a competent authority. So far as my Committee are aware all the Lascars carried on board the ship are properly trained in all the operations connected with the launching of Life Boats and the use of cars and undergo a boat drill at stated intervals. To call upon these Lascars to pass an examination will, perhaps, be an additional hardship in view of the level of their education. If, however, such certificates are to be made obligatory, the clause should not be enforced at least for a period of three years from the time the new rules are coming into operation.

Native Passenger Ship : According to Section 149 of the Indian Merchant Shipping Act 1923, a native passenger ship means a ship carrying more than 30 passengers who are either natives of Asia or Africa of the age of 12 years and upwards and are not on the articles of the ship as one of the crew. According to this definition, if the s.s. Arunda were to carry 40 Europeans from Calcutta to Rangoon, it will not be possible to apply new rules to that ship. Further if the s.s. Rawalpindi carries 30 Indians from Bombay to Marseilles, it should be classified as a native passenger ship under section 149 of the Indian Merchant Shiping Act. In practice, however, it is not treated as such a ship. My Committee suggest in this connection that Government will be pleased to drop the offensive word "native" from the native passenger ship, and substitute it by the word "Indian," or in other words the expression should be an "Indian Passenger ship." The Indian Passenger Ship shall be a ship which carries

30 passengers, irrespective of the fact whether they are natives of Asia, Africa, Europe or America. What my Committee want to emphasise is that Life Saving Appliances are not to be made obligatory on certain ships according to the colour of the skin of the passengers carried or to be carried. These Life Saving Appliances are to be provided on larger grounds of safety and humanity, and that all ships sailing from India must come unde the jurisdiction of the revised rules.

No. 2945, dated Bombay, 21st December 1928.

From Chamber to the Government of Bombay, General Department, Bombay.

Rules regarding Latrines and other Sanitary arrangements.

I am directed by the Committee of this Chamber to send to you hereby their views on the above subject refered to in youp letter of the 19th October 1928, No. 1380-(d)-C.

Sube-Clause (4), Rule 1: My Committee do not understand if the words "regular supply of drinking water" signify that water taps should be kept open the whole day and night. If it is so, it is objectionable, as ships on longer voyages cannot afford to carry so much water as on many runs water is only available at one end, and consequently water is to be carried for return voyage also. It is not always possible to reserve all the ballast tanks for carrying drinking water as owing to the daily draw on them they would keep the tank slack and tend the ship to rolling in a bit rough sea as it will get lighter and lighter. My Committee presume that even on big passenger ships water taps are not kept open the whole day and night. Regular supply of fresh drinking water should, therefore, mean that the taps should be kept open during stated hours. It is understood that it is obligatory on a ship to carry such quantity of water for each passenger as is laid down in the rule.

Sub-Section (4), Rule 2: As the number of women that are carried as passengers on the ships is usually much smaller than

the number of men carried. the procedure should be to keep certain percentage, say 15 or 20, as suggested by the Deck Passengers Committee, of latrines reserved for women and the rest should be reserved for men, instead of reserving half to half.

Sub-Section (9), Rule 2: My Committee do not see the necessity of compelling each and every ship to have the device known as "automatic intermittent flushing." In ships where by the constant flow of water latrines have been found to work quite satisfactorily, there is no necessity to adopt this new device.

APPENDIX 19.

RECEIPTS FOR PACKAGES LANDED IN A DAMAGED CONDITION:—PROPOSAL TO CHANGE THE FORM OF ENDORSEMENT BY THE BOMBAY PORT TRUST DOCKS' MANAGER.

No. C/3-2/2170, dated Bombay, 23rd July 1928.

From the Manager, Bombay Port Trust Docks, to Chamber.

As you are doubtless aware, official receipts received from consignees of goods imported through the docks and cleared by them, consist of the relative Bills of Lading or Agents' Delivery Orders endorsed "received in full" and signed.

The Trust as bailees are required to deliver goods to consignees in the same condition as received from importing vessels; but where goods are landed damaged from vessels, discrepancies arise between the qualified receipts passed by the Trust to Ship Agents and the "received in full" endorsement from consignees to the Trust.

It is therefore proposed to change the form of endorsement required of consignees to "received in full as discharged from vessel".

I shall be glad of an expression of the opinion of your Bureau on this proposal.

No. 1920, dated 22nd August 1928.

From Chamber to the Manager, Bombay Port Trust Docks, Bombay

With reference to your letter of the 24th July 1928 No. C/3-2/2170, I am directed to inform you that my Committee are not in favour of the proposed amendment in the endorsement regarding the above Receipts, as they think that the same will not improve the present situation at all.

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(2) FINANCE, TARIFFS, AND TAXATION.

APPENDIX 20.

PROPOSED NEW RESERVE BANK BILL.

Dated 21st January 1928.

Telegram from Chamber, to the Government of India, Finance Department, Delhi.

Committee Indian Merchants' Chamber protest against the innovation of Government entrusting a Bill to a Joint Select Committee getting the Committee to work for several months and the Assembly to consider that report and later introducing a new Bill practically reverting to the original Bill submitted to the Select Committee for report. Despite varying views regarding the importance of a Central Bank for India this latest method by which the Assembly is sought to be played with cannot but be

exceedingly derogatory to the powers and privileges of the Legislature. Committee's views in connection with the Bill have not undergone any change since the Committee made their last representation to Government on 11th May 1927. They remain strongly of opinion that the Reserve Bank must be a State Bank and not a Shareholders' Bank and lodge their emphatic protest against the latest undesirable move on the part of Government.

APPENDIX 21.

BUDGET OF THE GOVERNMENT OF INDIA FOR 1928-29.

Dated 1st March 1928.

Telegram from Chamber, to Sir Purshotamdas, Kt., New Delhi.

"Please convey following message to Finance (Department): Committee Indian Merchants' Chamber feel that in the present economic condition of this country the level of taxation is unduly and unnecessarily high. What the country could bear 5 or 7 years ago it is clear it cannot bear to-day. Most serious steps are necessary to get this reduced, even if it involves the suspension of the Sinking Fund for some years. In any case Committee consider present allocation too high and suggest same percentage provision as now made by Great Britain for its own unproductive debt. The military expenditure which absorbs a large part of the revenues should be reduced to 50 crores by a lump reduction subject to supplementary grants which may be justified before the Assembly. Concealed military expenditure as in Railways, Posts and Telegraphs or any other departments should be explicitly stated. Committee do not agree with paragraph 29 which states that the revenue tariff wants revision, but would favour a close examination of the entire schedule of Customs with a view to remove anomalies which bear heavily on the industries of the country and with a view to the establishment of duties on a scientific basis. Committee urge that the Royal Commissions's recommendations to abolish,

Stamp Duty on internal Bills of Exchange payable otherwise than on Demand should be now given effect to. Inchambu."

No. D/1266-F., New Delhi, dated the 2nd March 1928.

From the Government of India, Finance Department, to Sir Purshotamdas Thakurdas, Kt., C.I.E., M.B.E., M.L.A.

I am directed to acknowledge receipt of your letter dated the 1st March 1928, conveying a telegraphic message received by you from the Committee of the Indian Merchants' Chamber, Bombay, in connection with the Budget for 1928-29.

2. An acknowledgment has been sent direct to the Secretary Indian Merchants' Chamber as desired.

APPENDIX 22.

INDIAN MATCH INDUSTRY—TARIFF BOARD ENQUIRY INTO.

No. 946-A., Bombay, dated the 5th December 1927.

From the Secretary, Tariff Board, to Chamber.

I am directed to forward for the information of your Chamber a copy of the remarks made by Sir Padamji P. Ginwala, President of the Indian Tariff Board, in resuming the enquiry into the Match manufacturing Industry in India.

2. The Board is anxious to obtain as full and complete an expression of commercial opinion as is possible, on the problems which are now engaging its attention. From the President's remarks it will be observed that there are certain aspects of the enquiry which have not yet been brought specifically to the notice of your Chamber. Further, certain of the proposals which have been received involve considerations of general policy on which

it is desirable that your Chamber should have an opportunity of expressing an opinion, while the future organization of an industry engaged in the manufacture of a commodity in such common use as matches is a matter of considerable general interest.

3. An important aspect of the case which has been pressed on the notice of the Board concerns the activities of the Swedish Trust. As your Chamber is aware, this Trust has in recent years obtained a dominating interest in the match trade of almost every country and its policy is avowedly aimed at securing a controlling interest in the match trade of the world. In pursuance of this policy, it is alleged, the Trust aims at securing a dominating position in India, partly by eliminating the smaller Indian concerns by means of unfair competition, partly by working arrangements with the larger Indian factories should this appear to be the most feasible course. Having acquired that control, it is alleged that the Trust will raise prices in India, thereby exploiting the country for the benefit of foreigners. The remedy which has been most commonly proposed is the imposition of a special excise duty on matches manufactured by firms or companies financed by foreign capital.

4. The case as it has been presented to the Board combined two points of view. First, objection is taken to the employment of foreign capital in Indian industries and the demand is advanced that such enterprises should be specially taxed. The question has already been considered by the External Capital Committee appointed by the Government of India in 1925 and it is unnecessary to deal at length with the matter here. It is sufficient to point out that considerable difficulty must be anticipated in determining whether a firm is or is not financed by foreign capital and that the possibility of evasion of any such form of taxation is a serious consideration which must not be overlooked. The other aspect of the case concerns the possibility of the establishment of a monopoly. It is urged that it is undesirable in the interests of the country to allow the smaller industrialists to be crushed, thereby enabling a single firm or group of firms to fix prices considerably in excess of the cost of production. The objection applies equally to a mono-

poly whether engineered by an Indian or foreign firm but an excise duty on foreign capital is proposed as an *ad hoc* measure, since the danger of monopoly at present threatens from a foreign firm. It is, however, by no means clear that this proposal would be effective. Apart from the fact that no data have been put forward on which it would be possible to estimate the amount of excise duty sufficient to prevent unfair competition, it appears not impossible that the measure may precipitate the crisis which it is designed to prevent. The Swedish Trust has at its command exceedingly large capital resources and faced with the prospect of closing its factories in India as a result of the excise duty, it may resolve on the one hand to initiate a price war regardless of cost or, on the other hand, to buy out the larger factories in this country. In either event, it might be argued that a corporation of this size would have no great difficulty in effecting a practical monopoly, when the special excise could be passed on to the consumer. Another possibility which must not be overlooked is that the Swedish Trust would comply with all the requirements of the law regarding Indian capital and would thus not be liable to the special excise duty. Practical control of the policy might still remain in Swedish hands and the danger of monopoly would remain.

5. The risk of the country being exploited by a single firm or combination of firms of match manufacturers could however be met by the establishment of a regulated monopoly. It is in this direction that European countries have generally sought for a solution of the problem created by the Swedish Match Trust. There are several methods by which in existing circumstances this effect could be attained. The first and perhaps the most obvious method is by establishing a monopoly both in manufacture and sale. The Swedish Trust controls the largest and best equipped group of factories in the country and with its long experience of manufacture, it is indisputable that it could produce a standard article of good quality at a low price. From a purely financial point of view it might be considered a good proposition to hand over the monopoly both of manufacture and of sale of matches in India to this Trust on payment of an annual sum to Government. Conditions

might be made regarding the employment of Indians, the issue of Rupee capital, the quality of the goods and the price at which they were to be sold. A system of this kind is in force in Greece and Poland, where the Swedish Trust holds a monopoly. This, however, would mean that match manufacture would cease to be a national industry and on grounds of sentiment alone such a proposal affords no practical solution of the problem. A second method of securing control is by the establishment of a Government monopoly both of manufacture and of sale. This is essentially the system which is at present in force in France. There are, however, well-known objections to State manufacture and it is generally accepted that Government is normally not in a position to manufacture either so well or so cheaply as a private firm or a company.

6. Another means of preventing exploitation is by establishing a monopoly in sale, manufacture being carried on by private agency but the production regulated by requiring that the manufacture of matches should be under license. The establishment of new factories or extension of existing factories would then be controlled. Sale could be entrusted either to a separate organization or retained in the hands of Government itself. In the former case it would be necessary to form a separate sale syndicate, to which the monopoly would be entrusted. A system of this nature is in force in Germany, where a sales organization has been formed, the capital being contributed by the match manufacturers who also form the directorate of the corporation. Definite quotas of production are fixed for each manufacturer and all sales are effected by the sales organization. Government however retains the right of controlling the price at which the sales syndicate sells, should this appear excessive. Factories are licensed by Government and an increase in the production of matches either by the construction of new factories or extension of existing ones can thereby be prevented. At the present time the number of match factories in India is large and their size varies from the large up to date factory employing the latest machinery to the small factory where all processes are carried out by hand. There is, therefore, great difficulty

in securing any effective organization of manufacturers and the introduction of the German system in its entirety would be by no means easy. At the same time some development of this method of control may appear feasible. It might be possible to organize a sales corporation comprising interests independent of match manufacturers. In that event it would be necessary to fix the price at which such a corporation purchased its supplies, the price at which it disposed of them, and the proportion in which purchase was to be effected from each factory. The opinion of your Chamber is requested as to whether any such corporation could be formed and, if so, whether an arrangement on these lines would prove satisfactory.

7. There remains the system of Government monopoly of sales. Restriction of manufacture by means of licensing will still be necessary since Government could not undertake to purchase matches to an unlimited extent. It would also be necessary to fix the price at which Government would purchase from manufacturers. As regards selling arrangements, various methods are possible. Government wholesale depots might be established in the larger centres. But this would involve the organization of a new department on a somewhat extensive scale and might well be objected to on the ground of expense. Financial control however might be secured on much the same lines as obtains in the excise department for the sale of country liquor in some provinces. Purchasers might be required to pay into the Treasury both the cost price and the excise duty on matches. On production of the Treasury voucher by the purchaser the manufacturer would then supply the required quantity of matches and would obtain payment from the Treasury on presentation of the voucher. This method, however, might be considered cumbrous and unsuited to the requirements of the trade.

8. If a monopoly in sales is considered desirable, the most satisfactory arrangement would appear to be to entrust it to an independent sales corporation. Till, however, the organization of such a corporation becomes feasible or if it is found impossible,

Government may administer the monopoly through its own agency with the assistance of a committee representing manufacturers, traders and general commercial interests. The function of such a committee *inter alia* might be to advise from time to time as to the price, quality, amount and distribution of output among the various factories. The import of matches might be undertaken by the Government acting with the advice of the Committee referred to above or might be controlled by a system of licence.

9. Any such system of monopoly presupposes that the factories undertaking manufacture are well equipped and of reasonable size and it would follow therefore that the smaller factories would disappear. The opinion of your Chamber is requested as to how far such a result is desirable. I am to point out that the concentration of match manufacture in a few factories organized on a large scale would probably result in a substantial reduction in the cost of production. Further, a sales organization acting through a single agency would reduce the cost of distribution and the absence of competition would render unnecessary the very large number of different labels at present in use. With the kinds of labels reduced to a minimum, a still further reduction in costs could be effected while the elimination of competition would also result in the reduction of the profits of the middleman, which the Board has been informed are excessive. Further, mass production in well equipped factories may reasonably be expected to raise the quality of Indian matches while with a standardized product the prejudice against Indian matches, based mainly on the output of the smallest factories established in unsuitable localities, is likely to disappear rapidly. I am also to point out that at present there exists a very real danger of over production, specially in particular localities. The growth of the Match Industry around Bombay renders it increasingly difficult to secure a market for the goods produced. Competition is therefore intense and there has been a very rapid fall in price. A system of control on these lines will tend to prevent over-production and wasteful competition and to ensure a reasonable standard of quality. It will also secure a fair profit to the manufacturer and generally help to stabilise

prices and at the same time safeguard the Government revenues. It will further have the advantage of maintaining a substantial share of the production in the hands of Indian manufacturers. I am now to request that your Chamber will favour the Board with its views on the various matters dealt with in the enclosure and in particular as to how far it considers system of Government monopoly in matches is desirable both in the interest of the industry and of the country in general. If it considers such a system desirable, I am to enquire which of the methods outlined in this letter it would consider would secure the best results. The Board would esteem it a favour if your reply could be submitted at a very early date. I am to express regret that it has not been possible to consult the Chamber on these points before, but many of the considerations and suggestions which form the subject of this letter, could not be stated as definite issues until the examination of witnesses had reached an advanced stage.

10. In conclusion, I am to explain that the Board has arrived at no conclusion as regards the various matters which form the subject of this letter and that any views which have been expressed must be regarded as illustrative only.

In resuming the enquiry into the Match-manufacturing Industry in India, Sir Padamji P. Ginwala prefaced the examination of the representative of the National Match Works with the following observations :—

Before proceeding with your examination I think it will be just as well for me to explain to you briefly the scope of the enquiry. When we opened our proceedings in Burma, we explained the main points to the manufacturers in Burma, but since then, as the enquiry has proceeded, several other points have arisen, and it seems to me that, in order to direct the enquiry into proper channels, you should understand how far the enquiry has proceeded and what these new points are. Under the terms of reference contained in the Resolution issued by the Government of India, we have first of all to enquire whether this industry is one which ought to be protected, that is to say whether it fulfils the three principal condi-

tions laid down by the Fiscal Commission. I think you know what the conditions laid down by the Fiscal Commission are because we have mentioned them in our questionnaire. We will have to satisfy ourselves that those conditions are substantially fulfilled. Then, if we are satisfied that protection ought to be granted, we have to determine what form that protection should take. The general principle that we apply in determining the amount of protection is this . We first of all ascertain what we call the 'fair selling price' of the article manufactured in the country, that is to say, what price covers your fair works costs and overhead charges and leaves you a reasonable profit on your capital investment. Having ascertained that, we have to ascertain the price at which the foreign article can be landed in India without duty. The difference between these two prices, with such adjustments as may be necessary to make, is ordinarily the measure of protection. It may take the form of a Customs duty, it may take the form of a bounty or it may take some other form. The difference between the two prices, subject to adjustments, as I say, is normally the measure of protection. In this aspect of the question the most important point of course is your works cost. For that reason we expect every applicant to give us the fullest information for publication so that the public may have an opportunity of judging for themselves whether your claim is reasonable or not. But besides this question of protection, there are other questions. This duty of Rs. 1-8-0, as you know, was levied by the Government purely for revenue purposes, and Government had, at that time, not laid down any policy as to whether this duty was to be treated as a protective duty at all. The duty, as you know, was high and consequently led to the construction of several match factories in India. This in turn led to a greatly increased production of matches in the country and the Government revenue began gradually to diminish and if the industry continues to expand, it is not impossible that it may vanish. Our terms of reference require us to consider whether the loss of revenue which is likely to result from the expansion of the Indian industry can be made up in whole or in part by any other appropriate form of taxation of the industry. You will, therefore, have to advise us,

as to what course we should suggest consistently with your own interest. There are many ways of safeguarding the revenue derived from matches and one of them is the levy of an excise duty. An excise duty of course means some administrative difficulty. There are two principal ways of collecting excise revenue. The first is to levy an excise duty by permitting the manufacture of the article concerned only in what is called 'bond,' that is to say, under Government supervision. That procedure, however, has its own difficulties where the factories are on such a small scale as some of them are here, especially as in some cases all the processes of manufacture are not carried on in the same premises, and we should like the views of the industry on the point as to how far manufacture in bond may be a satisfactory solution of this problem.

Then there is another method, that is that every box of matches sold in the country should bear an adhesive stamp. The manufacturer will arrange to buy these stamps at such places as the Government may determine. Whether this would be feasible or not is a point which we have got to consider and one in regard to which we should like the assistance of the industry. But if we recommend this method of fixing stamps for indigenous matches, it would also be necessary to prescribe them for imported matches also for the obvious reason that if we did not, local matches may bear no labels and may be sold as imported matches without paying any revenue. Then again there are difficulties in connection with the procedure for supplying such labels to the foreign manufacturer. These are the general points as regards the levy of excise duty.

But there are other ways in which Government can protect itself, one of them being to establish a Government monopoly of the article. A Government monopoly may take two forms. One of them is the manufacture and sale of matches by Government agency. There are many theoretical and practical objections to Government undertaking the actual manufacture. An alternative system would be for Government to make over the manufacture to private undertakings, while retaining in its hands merely the sale of matches. If Government were to adopt this procedure, it would

be necessary for the industry to tell us in what way Government could entrust the manufacture of matches to private agencies without creating other difficulties such as the possibility of favouritism and the like.

Then there is a third method, namely that matches may be manufactured by private agencies—we will call them manufacturers —and sold by another private agency. Thus a limited company may be formed under such conditions as Government may prescribe as regards its personnel, its character and so on, and Government can then say "matches may be manufactured by such and such manufacturers and this company is to purchase matches at such and such a price and sell them at a certain price, Government taking the difference between the two." The point to consider is, first of all whether it is a good system, to have these two private agencies, one for the manufacture of matches and the other for the sale of matches, both under the general control of Government as regards the price at which matches are to be purchased by the sales organization and the price at which the sales organization can sell the matches. It is also necessary to ascertain whether if such a proposal was made, any company would be forthcoming to undertake this business. It must be in as few hands as possible to yield good results. Apart from the question of general revenues, these methods which I have described to you have certain advantages and I would like you to consider whether they are sufficiently strong to justify the adoption of any such procedure. The first consideration is that to-day there are so many competing factories. The result is, as far as we can judge at present, that there is a big difference between the price at which factories sell matches at their works and the price at which matches are sold to the consumer, and consequently the consumer does not necessarily get the benefit of cheap production. But if there was one of these organizations at work, the consumer would have the chance of getting his matches at a lower price because there would be no unnecessary competition between small factories to secure the services of the middleman.

Then there is another question which is of importance and that is the quality of the matches. If there is this competition between

factories, efficient and inefficient, and every body wants to sell his matches, one of the natural results must be that the quality of matches for the time being at any rate will deteriorate. But if there were Government control by means of a monopoly or by means of private organizations, then the quality can be maintained up to a certain level. At present there is no guarantee that the quality will be maintained except that the competition which exists will have the effect of eliminating the inefficient works and in that way quality may improve.

But there is another aspect of the question which has a very close bearing on this. Allegations have been made by practically every company that the Swedish Match Company to-day is operating in this country with the intention of either acquiring a monopoly or a dominant interest in the industry. The operations of the Swedish Match Company in other parts of the world suggest that its general policy, is either, as I say, to get if it can, a monopoly by arrangement with Government of the country in which it operates, or to get a dominant interest by controlling the capital and the manufacture in that country, or by making what are called working arrangements between itself and the domestic manufacturers in that country. Now if any of these consequences were to follow in India, that is to say, if the Swedish Match Company were to acquire a monopoly or if it were to acquire a dominant control, or if it were to combine with the local manufacturers, then in that case—I am not at the moment expressing any opinion —it is possible that in course of time the price of matches to the consumer may be raised. The Government would not necessarily get more revenue but the consumer will have to pay a higher price. Supposing the Government and the country desired that these consequences should not follow, then some of the alternatives that I have suggested would require careful examination to see whether they might furnish a solution of the difficulty.

Other proposals have been made to us as regards the Swedish Match Company, namely that Government should levy a special excise duty on foreign concerns. That point of course we shall

consider but one of the difficulties is to be able to say with certainty that any company operating in this country is a foreign company. So far as the evidence in our possession suggests it certainly does not appear to be the policy of the Swedish Match Company, to create so to say, an entirely foreign monopoly in any country in which it carries on its business. It tries to get as much capital as it can from the country subject to its own ability to maintain its control; it also appoints Indian directors or directors of the nationality of the country in which it operates; it will obviously employ mainly local labour; it will also employ as many Indians as it reasonably can; it will also use Indian materials as far as possible. Under those conditions how can we say that it is necessarily a foreign company, which has no business to be here unless it pays an extra excise duty? You remember, Government appointed what was called 'The External Capital Committee" and that Committee reported that there was no practical solution to this question. It would be very difficult to devise any means to control the use of foreign capital. But now as the point has been raised by Indian Match Manufacturers we should like to be enlightened as to how to get over the difficulties.

There is one other point which is connected with this, namely that whatever system is adopted, in order to keep some control over the manufacture or in order to prevent over-production by factories being located in wrong places, it may be necessary for Government to license the erection of factories. For instance, in one place, you may have 50 factories but there may be no factory in another place where 10 factories may be required. The result is that where there are 50 factories there is too much competition and where there are no factories, matches are dear. For that reason we want to consider whether we should recommend a licence for the erection of factories and the manufacture of matches. What do you suggest should be the conditions under which a licence may be granted or withheld or even cancelled? I think these are the general points on which I should like not only the Indian manufacturers but the general commercial community to advise us.

No. 201, dated Bombay, 24th January 1928.

From Chamber to the Secretary, the Tariff Board. (Canmp).

The Committee of the Indian Merchants' Chamber have considered the note of the President of the Tariff Board. The match industry has benefited by the revenue duty of Rs. 1-8-0 imposed since the last five years. My Committee, however, believe that a mere revenue duty wonld not be of any use to any particular industry. An industry if it stands in need of protection requires a protective duty either in addition to a revenue duty or in place of revenue duty. The main reason is that there is no security of protection in a revenue duty as such, as it is liable to change according to the revenue exigencies of the Government. A protective duty on the other hand requires the sanction of the Legislature for any change, however slight it may be. The Committee, therefore, are strongly of opinion that the present revenue duty should be turned into a protective duty.

2. The indigenous manufacturer in this country has at present to face two kinds of competition, one, from outside, and one from the Swedish Combine established in India with three or four factories at the principal Presidency towns during the last three years. Protection of the match industry, therefore, requires that the imports should be reduced, if possible eliminated, and similarly the Swedish Combine should have its power of mischief curtailed. The Committee, therefore, suggest that the Government should ask the Swedish Combine to get itself registered in India in Rupee capital with a stipulation that 75% of its capital should be Indian owned in its true sense and not by nominees and three-fourths of its directors should also be Indian, and the Company must be required to entertain Indian apprentices in their different factories. The Committee at the same time emphasise that Indian manufacturers should be encouraged to be efficient and as efficiency could not be maintained without competition, competition should be allowed in as free and great a scope as possible.

3. The aim and object of every protective measure is to so develop the industry as to make it afterwards able to maintain itself without any protective measure. The protection should not be such as to require spoon-feeding for the industry for ever. My Committee are not opposed *qua* foreign capital but it must come on terms laid down by the Indian Legislature.

4. The President of the Tariff Board appears to lay stress upon the revenue considerations. The total revenue from the duty on imported matches has been as follows during the last three years :—

	Rs.
1924–25	1,13,91,275
1925–26	1,13,18,556
1926–27	88,63,592

It will be found that the duty dropped down considerably last year and the problem is apparently troubling the Tariff Board as how to get this loss to the Government revenue made up. My Committee beg to submit that these revenue considerations should not weigh at all with the Tariff Board. Their duty is to find out what protection is necessary for any particular industry with regard to which they are conducting their inquiry. It is again drawing a red-herring across the trail to say that because the Government revenues are suffering particular measures of protection could not be adopted It is greatly misleading to point out to our attention merely to the income derived from a particular revenue duty. If an industry is afforded a satisfactory measure of protection the loss to the Government revenue will be made up in more ways than one. Thus the Government can get super-tax, income tax and the like taxes from a prosperous industry which will also contribute largely to the increase in railway freight and forest revenue, pay increased cesses for loans etc., increasing the purchasing power of a large number of people enabling them to pay more in the shape of indirect taxation on different articles etc. These are different principles of Protectionist economics and they apply to the match industry as strongly as they do to any other industry.

My Committee presume that they will meet with the acceptance of the Tariff Board.

5. The President of the Tariff Board in his remarks while discussing the method of establishing a monopoly in the manufacture and sales of matches assumes that the Swedish Trust backed by vast capital resources and long experience of manufacture and controlling the largest and best equipped group of factories in the country can indisputably produce a standard article of good quality at a low price.

6. These arguments can however be replied to by saying that if the Trust is so very big and powerful as to have successfully monopolised the Match Industry in various other countries and even in Japan, it is all the greater reason why we should try to get rid of it rather than allow it to have a stronger footing in the country. As suggested before, the Trust should be required to have itself registered in this country in Indian capital. A licensing system should be introduced and restrictions should be imposed on the production of different manufacturers by assigning them a particular quota of production for each. The Swedish Trust will have to be given its own quota. My Committee suggest that this quota should not exceed their three years average out-turn in India and Burma and at any rate not more than 25% of present local manufacture and it should also be provided that the quota as given to the Swedish Trust should be reduced every year eliminating automatically the Trust in about five years, unless they in the interval comply with all the requirements laid down by the Indian Fiscal Commission, considering the fact that they have created vested interest in this country by erecting factories during only the last three years that is to say their vested interests in the country are of a very recent growth. No license should be given to any manufacturing concern 75% of the capital of which is not owned by British Indian subjects and 75% of the Directors of which are not Indians. The Directors should hold their qualifications in their own name and capacity and not merely as nominees.

7. There should be a Central Sales Organisation not run by the State but by a joint stock Company which should be treated like a public utility concern. It should have rupee capital entirely in Indian hands and the Directorate also should be entirely Indian. Precautions should be taken that capital does not go out too much into the hands of a few individuals. This organisation should control sales of matches whether manufactured locally or imported. It will be responsible for fixing the prices at which productions of manufacturers are to be purchased The price may be fixed on the basis of cost price plus a certain percentage of depreciation and interest on capital employed. Such a price will have to be fixed for each manufacturer separately and my Committee would suggest that the period for which it should hold good should be three years. If any manufacturer cheapens his cost of production he is welcome to do it and the advantage will go to him.

8. In order that the sales organisation may not be a profiteering one, the price which it generally charges to the consumer should be fixed on the basis of expenses for distribution plus a certain percentage, *viz.* 8% per annum. The existing duty on imported matches to be continued and may be increased if found necessary.

9. The Directorate of the selling organisation should consist of:—

(1) 1 Government officer,

(2) 2 representatives of Match Manufacturers,

(3) 4 representatives to be elected by shareholders,

(4) 2 representatives elected by the Federation of Indian Chambers of Commerce.

10. The Press Note issued by the Tariff Board suggests that on economic grounds the match manufacturing industry as a cottage industry will disappear through being unable to stand against the competition of machine made matches which will have naturally a mass production. Japan may be sighted as an instance of how

match manufacturing as a cottage industry will not be able to stand against the modern machine made matches.

11. The question of Indian States as far as the manufacture of matches in their territories is concerned remains to be solved. It is a complicated question involving various political and other considerations. My Committee while not giving their suggestion as the last word on this question believe that there is a workable solution of this problem. What my Committee suggest is that just as the Central Sales Organisation is proposed to be entrusted with both the regulation of imports and the regulation of production and the regulation of sales, it should also be entrusted with the work of receiving matches from Indian States and assuming the responsibility for their sale also. Unless this is done the whole object of the sales organisation may be frustrated owing to heavy imports which may come in from unlicensed and unrecognised match factories which might spring up to a large extent in Indian States.

APPENDIX 23.

REPORT OF THE INDIAN TARIFF BOARD AND THE GOVERNMENT RESOLUTION RE: PROTECTION TO THE INDIAN MATCH INDUSTRY.

Dated 5th September 1928.

Telegram from Chamber, to Sir Purshotamdas Thakurdas, Kt. Simla.

" Please convey following Telegram to Commerce Department Government of India: Committee Indian Merchants' Chamber welcome resolution of Government of India supporting recommendation of Tariff Board continuing present Revenue Duty of Rupee one annas eight on matches as protective duty. They are sorry however to note that both the report of the Tariff Board and

resolution of Government have left unaffected operations of the Swedish Match Trust which is a danger to the indigenous industry. Committee urge that Government be pleased to require the Swedish Match Trust to be under Indian control as required by paragraph 32 of the Tariff Board Report—Inchambu."

No. 235-T(24), Simla, dated the 7th September 1928.

From the Government of India, Department of Commerce, to Sir Purshotamdas Thakurdas, Kt., C.I.E., M.L.A., "Snow View," Simla.

I am directed to acknowledge the receipt of your letter dated the 6th September 1928 in which you communicate the views of the Indian Merchants' Chamber, Bombay, on the Tariff Board's Report regarding the grant of protection to the Match Industry and the Government of India's Resolution thereon.

2. I am to add that a copy of this letter is being sent to the Secretary of the Chamber at Bombay.

APPENDIX 24.

DETRIMENTAL ACTIVITIES OF THE SWEDISH MATCH TRUST.

No. 2576, dated 14th November 1928.

From Chamber, to the Government of India, Department of Commerce, Delhi.

I am directed by my Committee to address Government regarding the objectionable and detrimental activities recently started by the Swedish Match Manufacturing Company, Limited.

My Committee understand that the said Company has of late started the price war in order to ruin the Indian Match factories. While expressing their views regarding the Government Resolution on the Tariff Board's Report on the Match Industry, my Committee had urged that the Swedish Match Trust must be made to conform to the recommendations made by the Tariff Board regarding the Indianisation of capital and control. Government, at that time, did not fully realise the necessity of such a provision sufficiently. The Swedish Match Trust has now resorted to price-cutting policy here, while it discreetly refrained from such tactics when the Tariff Board was making enquiries in the question. The figures of prices given below will clearly bring out the point my Committee have in view :—

Before the Enquiry.

Ambarnath, Rs. 1/5 to Rs. 1/5/6 (per gross).

After the Enquiry.

Rs. 1/4 to Rs. 1/5 (per gross) in some of the principal cities, while Rs. 1/2/6 to Rs. 1/2/3 (per gross) in upcountry, Berar, etc., where Indian factory goods are sold.

Before the Enquiry.

Indian Factories :—

A Class, Rs. 1/4 (per gross).

B Class, Rs. 1/2/6 (per gross).

After the Enquiry.

Indian Factories :—

Rs. 1/2 (per gross).

Rs. 0/15/0 to Re. 1/- (per gross).

The Indian Match factories are naturally hard hit by such methods adopted by the Swedish Trust to coerce them. My Committee are strongly of opinion that Government should devise means to check such activities of the Trust. If no precautionary

measures are now taken by Government at the start, the Indian Match Industry is in danger of being wiped out of existence.

My Committee, therefore, request Government to be pleased to institute an immediate Enquiry into the whole matter and devise suitable means to check the growing evil, as may, on enquiry, be found necessary and efficacious.

New Delhi, dated the 17th November 1928.

From the Government of India, Commerce Department, to Chamber.

Acknowledges receipt of your letter No. 2576, dated 14th November 1928.

APPENDIX 25.

PROTECTION TO OIL INDUSTRY—THE TARIFF BOARD ENQUIRY INTO.

Dated 30th March 1928i

Telegram from Chamber, to the Government of India, Department of Commerce, New Delhi.

"Committee Indian Merchants' Chamber protest against precipitate reference to Tariff Board of demands for protection made by Oil Companies working in India against alleged dumping of foreign oil. Present position is purely adventitious and does not satisfy conditions laid down by Fiscal Commission. It cannot be maintained that the oil Industry will be hampered in its development if no protection was given. Committee cannot understand the reason for so much solicitude towards Companies which are predominantly non-Indian in respect of capital and manage-

ment specially when the interests of the general consumer are likely to be promoted rather than otherwise by the growth of competition which has only very recently come into existence. Even if such an enquiry were necessary the exclusion from the terms of reference of the cost of production is absolutely unjustified because it must form a vital factor in the case of all investigations by the Tariff Board. Inchambu."

No. 141-T(39), New Delhi, dated the 3rd April 1928.

From the Government of India, Department of Commerce, to Chamber.

I am directed to acknowledge the receipt of your telegram dated the 30th March 1928, on the above subject.

No. 970, dated 18th April 1928.

From Chamber, to the Tariff Board, Legislative Council Build Rangoon.

The attention of my Committee has been drawn to the press communique issued by the Tariff Board recently with regard to the inquiry regarding oil. My Committee regret that the time given to the different interests to represent their case is too short. The communique was published on 11th April and the different interests are asked to submit their case so as to reach the Tariff Board on or before the 24th instant. This means that the representation should be posted on on about the 17th instant, as it takes about a week for letters to reach Burma. There is thus left a period of 4 days wherein to consider such a very important matter to come to definite conclusions regarding it, to draft a representation and to send it on to the proper quarters. My Committee, therefore, beg to request you to be good enough to extend the

time given to the different interests for submitting their case. It may be mentioned that my Committee are also approaching the Government of India for extending the period of inquiry. Such an extension of time is also necessary to enable the Oil companies to submit exact figures regarding cost of production, which, in the opinion of my Committee, form an essential material for such an inquiry.

My Committee are meeting the Hon'ble Sir George Rainy, Member for Commerce, on the 23rd instant and as it is expected that some of the important aspects of the oil problem will be discussed with him, they will not like to submit their views, even if they had time to formulate them, before such an interview.

The procedure adopted generally by the Tariff Board upto this time was that the parties at whose instance the inquiry was instituted were asked to submit their case first. Their case was afterwards published for the information of the general public to enable them to put forward their views. There is no such opportunity given here to the general consumers and to the general public represented by Chambers of Commerce, as there is no provision made for publishing the case of the oil companies. The Tariff Board cannot be unaware that just as there are the oil interests to be looked into, there are also the interests of the consumers who would stand to loose or gain immensely, according as the issue is decided one way or the other. My Committee, therefore, beg to urge strongly that the whole case of the oil companies should be published for general information, which would enable my Committee and other cognate bodies to send their views to the Tariff Board.

It is from this point of view also that my Committee are surprised at the announcement made by the Tariff Board that if any witnesses are to be examined at all, they will be called at Maymyo. This is tantamount to discouraging entirely any oral evidence on the part of the consuming public, as it is not likely that witnesses would go to such a long distance for their oral evid

ence to substantiate their case. My Committee beg, therefore, to urge that arrangements should be made for the inclusion of 2 or 3 principal cities in India in the itinerary of the Tariff Board.

In conclusion, my Committee beg to hope that due consideration will be given to all these suggestions and arrangements made to accept them.

No. 1128, dated Bombay, 2nd May 1928.

From Chamber, to the Tariff Board, Rangoon.

I am directed to submit as follows the views of my Committee with regard to the Oil Enquiry which is at present conducted by your Board and the Press Communique issued by you dated the 10th April 1928.

They have already expressed in their letter dated the 18th April 1928, No. 970, their views that the time allotted to the different interests is too short for any satisfactory and comprehensive statement of views to be submitted and have to request you to be good enough to extend the period. My Committee have addressed a similar communication to the Government of India (copy of which is enclosed herewith for information). In view of these circumstances, my Committee trust that though their representation has been sent to you a few days later than the prescribed date it will receive due consideration at the hands of your Board.

My Committee have already requested your Board to include the important question of the cost of production in your Enquiry and have also made the same suggestion to the Government in the representation they have addressed them. My Committee hope that the Tariff Board will, in light of all these facts, include the question of the cost of production in their Enquiry.

They have addressed you with regard to one other particular, *viz.*, the necessity for your Board holding the enquiry not only

in Burma but also in some of the principal towns in India so that the particular view point of consumers may be placed before them. Maymyo may be a good place so far as the oil interests are concerned, but the interests of consumers are not identical with those of the oil industry and it is, therefore, essential that the Board should include at least the Presidency towns in their itinerary. My Committee have emphasised this suggestion in their letter to the Government referred to above.

My Committee realise that for getting adequate information regarding the cost of production and for getting evidence from Associations or bodies representing the interests of consumers, it would be essential to have the period of time extended. They hope that your Board will address Government and induce them to extend the time originally proposed, and that you would arrange for the submission of your Report in October.

My Committee, in common with other commercial organisations, were surprised at the great haste displayed by the Government in referring this question to the Tariff Board. Now that the enquiry, however, has been started, my Committee would not press for any withdrawal of the reference, but would, certainly, press for the inclusion of the question of production costs and for making the enquiry as thorough, comprehensive and wide as possible.

Dealing with the merits of the case, my Committee are constrained to observe that even now it is not clear how a case for protection has been *prima facie* made out. The Board cannot be unaware of the three conditions laid down in the report of the Fiscal Commission for giving protection to any industry. They feel that the oil industry, as such in this country, is precluded from putting forward any claim for protection because of the second condition, *viz.*, that " The industry must be one, which, without the help of protection, either is not likely to develop at all or is not likely to develop as rapidly as is desirable in the interests of the country." The Board will have occasion to see from figures given in the " Stock Exchange Year-Book " by Skinner for

1925, how the oil companies have, instead of showing anv signs of depression, been able to declare large dividends as also to give the shareholders bonus shares. In this connection, a copy is attached herewith of a letter addressed to a local paper, giving all relevant facts and figures showing the very handsome profits oil companies have made. These facts, in the opinion of my Committee, stand undisputed and as long as they remain unchallenged there is no case whatsoever for giving any protection to the oil companies.

It is said in authoritative quarters that the Burma Oil Company, which claims a production amounting to 80 per cent. of the total production in India, does not demand any protection. If this is so, there surely cannot be any reason for any measure of protection being even considered with regard to companies which may be producing the remaining 20 per cent of oil.

The Minority report of the Fiscal Commission laid down certain conditions with regard to foreign enterprise with reference to manufacturing industries in this country :—

(1) Such companies should be incorporated and registered in India in rupee capital :

(2) There should be a reasonable proportion of Indian Directors on the Board :

and

(3) There should be reasonable facilities offered for the training of Indian apprentices.

None of these conditions is fulfilled in the case of the oil companies operating in this country, and consequently no measure of protection should be possible. Even the majority report of the Fiscal Commission observed that :—

> " Where Government granted anything in the matter of a monopoly or concession, where public money was given to a company in the form of any subsidy or bounty, or where a license was granted to act as a

public utility company, it was reasonable that Government should make certain stipulations."

It was added by them that :—

"Where Indian Government was granting concessions or where Indian taxpayers' money being devoted to the stimulation of an enterprise, it was reasonable that special stress should be laid on the Indian character of the company thus favoured."

They recommended that :—

"In all such cases it would be reasonable to insist that companies enjoying concessions should be incorporated and registered in India with rupee capital, that there should be a reasonable proportion of Indian directors on the Board and reasonable facilities offered for the training of Indian apprentices at Government expense."

This policy has been generally accepted by the Government of India. The oil companies even according to this cannot claim any protection, for they are all, so far as my Committee are aware, sterling capital companies with non-Indian directors, with a large, if not the whole, amount of their holdings in non-Indian hands and with no facilities for the training of Indian apprentices.

The President of the Tariff Board, my Committee are glad to note, in his speech at the beginning of this enquiry, wanted it to be ascertained if the oil enterprise in this country was a national undertaking. My Committee beg to observe that looking to all the circumstances mentioned above, the oil industry is not a national enterprise in any sense of the term. No enterprise, if it is not a national one, deserves any protection from the Government of India.

The history of the agitation carried on in the press in the years 1920 to 1923 is a sufficient evidence to the Tariff Board that the oil companies in Burma have all along worked for their own

benefit regardless of the interests of all other industries. The anomalous position prevailed for many years, and even now prevails, that prices for petrol in England have been cheaper than those which rule in this country or even in Burma which is the place of production. Before the War, petrol was 10 annas per gallon for the quality of Spirit now supplied. In 1916, it rose to Rs. 1-4-0 per gallon; later the Government imposed a Tax of six annas a gallon, to which the petrol companies added six pies and the price was accordingly raised to Rs. 1-10-6. In February 1921, the retail price in Bombay was Rs. 2-1-0 per gallon; which was afterwards increased to Rs. 2-3-0 and even to Rs. 2-5-6 during the course of that year. My Committee addressed a letter to the Government of India in December 1922, protesting against the unduly high prices of petrol and against the exemption of duty on petrol exported from India to foreign countries. The price of petrol in India is much higher than in England even at present, the current price in Bombay being Rs. 1-0-6 per gallon, which is equal to 1sh. 6d. in English money, whereas the same stuff when exported to England is sold there at 11d. per gallon. My Committee feel, therefore, justified in saying that the oil companies in India have for many years past carried on profiteering and exploitation, and that by securing exemption of the excise duty on the quantities of petrol exported, amounting approximately 4/5ths of the entire output from the oil wells, they have deprived the Indian Treasury of a large amount of legitimate revenue.

The oil industry even to-day enjoys a protection of 1a. 6ps. being the difference in the excise duty on home production of oil and the Tariff duty on imported oil. The import duty of 2as. 6ps. per gallon works out roughly to 25 per cent. *Ad Valorem*, the price of kerosine oil being 10as. 9ps. per gallon.

The Tariff Board cannot be unaware of the fact that whenever any important national industry puts forward a claim for protection in some shape or other, the contention is put forward against such a claim that the interests of consumers would be adversely affected. Such a contention has been proved to be quite hollow

and advanced merely with a view to prevent any protection being given where it is due. Unfortunately, those who have raised such a contention in the past, appear, with regard to the oil enquiry atleast, to be quite indifferent to the interests of consumers though these interests should count a good deal if any genuine solution of the question were aimed at. The consumers of oil and petrol are people belonging to all classes from the highest to the lowest. Several big industries are now dependent, one way or another upon petrol, and similarly transportation companies are also dependent upon it. The middle and poorer classes specially have to depend upon kerosine for lighting purposes, and all these classes of consumers as also these various industries have been mercilessly exploited in the past by the different oil groups, some of which have now come forward with a plea that the rate-war will affect them adversely and that they must be protected. Upto this time there was no question raised from any quarter as to how the consumers were faring when the prices of such a necessity of life like kerosine oil were forced up without any justifiable reason. Even now so far as my Committee are aware, no statistics have been forthcoming to show that the prices at which kerosine is being sold, for instance, are less than the cost of production. My Committee trust, therefore, that the Tariff Board will be pleased to have a searching enquiry into the cost of production and not merely base their enquiry upon the so-called world parity and the prices prevailing at the ports of import.

The procedure adopted by the Tariff Board with regard to this Enquiry is to some extent different from that adopted in the past. In ordinary course, the Oil Companies should have been asked to submit their case and this should have been submitted to the different interests concerned in order to give them an opportunity of replying to the contentions raised by the Oil Companies. As matters stand, however, my Committee are precluded from knowing the case put forward or to be put forward by the Oil Companies, and in the absence of such knowledge, they have addressed this representation to the Tariff Board. When they are in possession of the case put up by the Oil Companies, my

Committee may supplement this representation, by another dealing with the contentions of the Companies in the light of the facts or proposals submitted.

In conclusion, my Committee beg to hope that, in view of all what has been stated above, the Tariff Board will not recommend any measure of protection for the oil companies. My Committee would strongly support the contention, that all these oil companies should be required to turn themselves into rupee capital concerns with a majority of Indian directors, with 75 per cent of their capital at least in Indian hands, and with arrangements for training of Indian apprentices. If there is any necessity for looking to all these requirements in the case of other industries, there is a greater necessity for insisting upon these conditions with regard to oil companies, as they deal with a stuff which forms the mineral wealth of the country, exploitation of which by foreign concerns is to the great disadvantage of this land.

Copy letter No. 1070, dated the 28th April 1928, from the Indian Merchants Chamber, Bombay, to the Secretary to the Government of India, Department of Commerce, Simla.

"Sir,

I am directed to address you with regard to the Press Note issued by the Tariff Board recently with regard to the Enquiry regarding oil. The Press Note was published on the 11th instant and the different interests are asked to submit their views so as to reach the Tariff Board on or before the 24th instant, which means that the representations should be posted on or about the 17th. The time allowed is thus too short for preparing a case on such an important question as the one referred to the Tariff Board. It appears that the Government have asked the Tariff Board to submit their report on or before the 1st of July. My Committee, during the course of an interview with the Honourable Sir George Rainy, Member for Commerce, Government of India, on the 23rd

instant, drew his attention to this question among others; and I am now directed by my Committee to request the Government of India to be pleased to extend the period fixed for submission of their report by the Tariff Board. The reference to them with regard to the oil industry is very important and it is essential that the different industrial interests as well as representatives of consumers should be allowed a sufficient time for submitting their case. My Committee also urged before the Honourable the Commerce Member that the essential factor of the cost of production should not be left out of the terms of reference of the Tariff Board. Unless the time is extended as suggested here it is doubtful if satisfactory information can be made available on such an important item.

The Tariff Board have fixed Maymyo as the place where witnesses may be called for purpose of oral evidence. This they must have been obliged to do, because of the shortness of time at their disposal. My Committee think that Maymyo may be a good place for meeting the representatives of oil interests, but that representatives of other interests as well as of consumers would not find it convenient to go to such a distant place for giving their evidence. My Committee are, therefore, of opinion that the Board should include Calcutta and Bombay, at least, in their itinerary. Extension of time is necessary even for this purpose. My Committee trust this suggestion will be accepted by Government and that the Tariff Board would be asked to submit their report not in the month of July but some time in October.

I beg to remain, etc.,

(Sd.) J. K. MEHTA,

Secretary."

Copy letter appeared in the "Bombay Chronicle" dated the 30th March 1928. regarding India's Struggling Oil Industry.

"To

The Tax-payers of India,

The undersigned beg to request your support to the oil industry which although geographically situated in India is mainly run from somewhere near Glasgow which is 6,000 miles away from India. All the Directors of the biggest producer of this industry are without exception non-Indians, the Company being of course not a rupee company nor any of their highly paid officers Indians. However, every 'cooly' whether he be a Punkhawalla or a Rickshaw puller or a workman in the oil field is an Indian. The Commerce Department has come up to the mark in referring the grievances of this industry to the Tariff Board for an urgent enquiry, without, of course, reference to the cost of production as otherwise thousands of Indian *coolies* might be thrown out of employment. The grievances or the sufferings of the biggest producer of this industry will be self-explanatory when the following from page 2311 of the Stock Exchange Year-Book by Skinner for 1925 is read under the heading of the Burma Oil Company, Ltd. :—

> "The accounts are made up annually to December 31, and submitted in June. Ordinary dividends were paid free of tax to December 31, 1923. In July 1910 ordinary shareholders received a share bonus of 59 per cent out of the reserve fund. For 1910 a dividend of 20 per cent. was paid; for 1911, 15; for 1912, 20; for 1913, 1914, and 1915, 27½ each year; for 1916, 30; for 1917, 32½; while a bonus of 50 per cent was distributed to the ordinary shareholders in July 1918, out of the reserves; for 1918, 30 per cent was paid on the increased capital; for 1919, 50, on an issued capital of £1,897,500 while a share bonus of 80 per cent was distributed to the ordinary shareholders in July 1920, out of the reserve fund; 1920, 1921, 1922 and 1923, 30 per cent on increased capital. General reserve fund £800,000, insurance reserve

£420,000, fire and marine insurance fund £613,106, carried forward £382,133, subject to corporation profits tax. Depreciation written off to December 31, 1923 was a follows :—Refineries, buildings, etc. £1,333,395 (against expenditure £1,897,629) ; pipe-lines £455,741 (against expenditure £849,560) fields electrification £100,000 (against expenditure £806,644) and tankers boats, etc. £1,013,000 (against expenditure £1,930,318 while oil wells boring plant purchased oil lands, tanks buildings, etc. have been written down to £372,689. Interim dividend 1924, 12- per cent (less tax) in November. Dividend on all classes of preference shares payable April 30 and October 31."

The above, if paraphrased by a layman (who is open to correction) works out to the result, that a shareholder of the Company who invested Rs. 100 by purchase of shares of this Company in 1902 buying the shares at par, then finds himself in possession of stock of the face value of Rs. 405. This stock will fetch in the open market at current prices Rs. 1,800 (even though competing with stolen Russian oil). On this investment of Rs. 100 he has already earned in cash dividends Rs. 966, besides additional stocks as stated above. On this original investment of Rs. 100 he got as dividend for 1923 Rs. 121 8-0. This it is presumed repeated very nearly in 1924, 1925 and 1926.

Another producer of this industry earned during the year 1926 about Rs. 25 lacs on a paid up capital of about Rs. 68 lacs and declared a dividend of Rs. 11 on each share on which Rs. 40 were paid up.

Be prepared with your contributions to support this poor and dwindling industry, if any funds are left with you after meeting losses in the textile, chemical and glass industry.

Yours Sincerely,
Trustees of the Tax-payers of India."

Bombay, March 1929.

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No. 1670, dated 28th April 1928.

From Chamber, to the Government of India, Department of Commerce, Simla.

I am directed to address you with regard to the Press Note issued by the Tariff Board recently with regard to the Enquiry regarding oil. The Press-Note was published on the 11th instant and the different interests are asked to submit their views so as to reach the Tariff Board on or before the 24th instant, which means that the representations should be posted on or about the 17th. The time allowed is thus too short for preparing a case on such an important question as the one referred to the Tariff Board. It appears that the Government have asked the Tariff Board to submit their report on or before the 1st of July. My Committee, during the course of an interview with the Honourable Sir George Rainy, Member for Commerce, Government of India, on the 23rd instant, drew his attention to this question among others; and I am now directed by my Committee to request the Government of India to be pleased to extend the period fixed for submission of their report by the Tariff Board. The reference to them with regard to the oil industry is very important and it is essential that the different industrial interests as well as representatives of consumers should be allowed a sufficient time for submitting their case. My Committee also urged before the Honourable the Commerce Member that the essential factor of the cost of production should not be left out of the terms of reference of the Tariff Board. Unless the time is extended as suggested here it is doubtful if satisfactory information can be made available on such an important item.

The Tariff Board have fixed Maymyo as the place where witnesses may be called for purpose of oral evidence. This they must have been obliged to do, because of the shortness of time at their disposal. My Committee think that Maymyo may be a good place for meeting the representatives of oil interests, but that representatives of other interests as well as of consumers would not

find it convenient to go to such a distant place for giving their evidence. My Committee are, therefore, of opinion that the Board should include Calcutta and Bombay, atleast, in their itinerary. Extension of time is necessary even for this purpose. My Committee trust this suggestion will be accepted by Government and that the Tariff Board would be asked to submit their report not in the month of July but some time in October.

No. 319-T.M., dated Simla, the 12th May 1928.

From the Government of India, Deaprtment of Commerce, to the Chamber.

I am directed to refer to your letter No. 1070, dated the 28th April 1928, on the above subject, and to say that the Government of India have considered the views put forward by your Chamber but find themselves unable to accept the proposal that the date for the submission of the Tariff Board's report on the oil industry should be postponed from the 1st July to a date in October.

No. 1324, dated 5th June 1928.

From Chamber, to the Government of India, Department of Commerce, Simla.

With reference to your letter No. 319-T.M., dated 12th May 1928, my Committee are sorry to note that Government are unable to accept their suggestion regarding the postponement of the date for the submission of the Tariff Board's report on the Oil Industry Enquiry.

In enquiries of this nature, if sufficient time is not allowed to make a careful and thorough investigation, it is very doubtful if the investigating body, can deal adequately with the subjects referred to it, and produce reports which can command the confidence of the public. In this connection, my Committee will be glad if Government will see their way to inform them whether they have received any assurance from the Tariff Board that they

will be able to make a sufficiently comprehensive enquiry into the question of the Oil Industry and submit their report in the short time at their disposal.

No. 141-T.(44), dated Simla, the 20th June 1928.

From the Government of India, Department of Commerce, to Chamber.

In reply to your letter No. 1324, dated the 5th June 1928 I am directed to say that the Government of India have had no correspondence with the Tariff Board on the subject of the time allowed for their enquiry

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No. 1720, dated 31st July 1928.

From Chamber, to the Government of India, Department of Commerce, Simla.

The Committee of this Chamber understand that the Tariff Board have completed the Oil Industry Enquiry and submitted their Report to Government. It is further understood that the two competing oil groups have made up their differences, and are said to have intimated to Government that no report of the Enquiry need be published now. My Committee do not yet know what action Government propose taking in this connection. But they would, respectfully, but emphatically, submit that it would be extremely unfair not to publish the report of the Tariff Board. In view of the vital importance of this Enquiry, it is essential that full light should be thrown on the question and this can only be done by fully publishing the evidence tendered by different oil companies and other interested bodies, and the recommendations, if any, of the Tariff Board thereon. My Committee, therefore, hope that Government will be pleased to publish, at an early date, the report of the Tariff Board together with full proceedings.

No. 673-T., dated Simla, the 6th August 1928.

From the Government of India, Department of Commerce, to Chamber.

I am directed to acknowledge the receipt of your letter dated the 31st July 1928, and to say that your views have been noted by the Government of India.

No. 1885, dated 18th August 1928.

From Chamber, to the Government of India, Department of Commerce Simla.

With reference to your letter No. 673-T., dated the 6th August 1928, on the above, I am directed to inform you that my Committee are sorry to note the contents. They had, in their previous letter, requested Government to be pleased to publish the Report of the Oil Industry Enquiry at an early date. Government instead of informing them as to whether they had decided to publish the same or not, simply state that "your views have been noted by the Government of India." My Committee will feel obliged if you will be good enough to let them know whether Government have considered the question of publication of the Report, and, if so, with what result.

No. 10-T.(52), dated Simla, the 5th September 1928.

From the Government of India, Department of Commerce. to Chamber.

With reference to your letter No. 1885, dated the 18th-20th August 1928, I am directed to say that the Report of the Tariff Board regarding the grant of protection to the Oil Industry in India will be published at an early date.

APPENDIX 26.

OIL INDUSTRY ENQUIRY—EXPENSES INCURRED FOR.

No. 2213, dated 1st October 1928.

From Chamber, to the Governmnet of India, Department of Commerce, Simla.

I am directed by the Committee of this Chamber to draw the attention of the Government of India, to the question of the expenditure incurred by the Tariff Board for the Oil Industry Enquiry which was undertaken on the initiative of oil companies. They are no doubt aware that the applicant oil companies who had requested them to refer their case for protection to the Tariff Board for an immediate enquiry not only abruptly withdrew their applications just when the enquiry was well nigh complete and the Report of the Tariff Board ready, but they suppressed some important and material facts and figures from the scrutiny of the Tariff Board. In the opinion of my Committee, this created a very peculiar situation, and Sir Padamji Ginwalla, President of the Tariff Board was constrained to record strong remarks on the attitude of the petition oil groups. Under the circumstances, my Committee feel that the entire expenditure incurred by the Tariff Board over this Enquiry should be claimed and recovered from the petitioner. They will, therefore, feel obliged if Government will be pleased to inform them what steps they desire to take to recover the whole expenditure inclusive of the salaries of the entire staff of the Tariff Board during the period of the Enquiry incurred from the applicant oil companies.

My Committee, at present, are considering the various important issues raised in connection with the Oil Industry Enquiry, and a further representation embodying their suggestions would be sent shortly.

No. 141-T.(51), dated Simla, the 10th October 1928.

From the Government of India, Department of Commerce, to Chamber.

I am directed to acknowledge the receipt of your letter No. 2213, dated the 1st October 1928, and in reply to refer you to the question asked on this subject of the 24th September 1928 in the Legislative Assembly by Mr. Srish Chandra Dutta, M.L.A., and the answer given thereto. A copy of the question and answer is enclosed for facility of reference.

QUESTION.

*Mr. Gaya Prasad Singh: (a) Do Government propose to publish the Report of the Tariff Board on Oil Industry? If so when? If not, why not?

(b) What was the amount of expenditure involved in the enquiry?

Reply by the Hon'ble Sir George Rainy.

(a) The Report will be published on the 12th September.

(b) The cost of the enquiry inclusive of that of printing the Report and Evidence is estimated to have been approximately Rs. 51,000.

QUESTION.

*Mr. Srish Chandra Dutta: (a) What are the total costs incurred in investigation by the Tariff Board of the question of grant of protection to the oil industry of India?

(b) In view of the fact that the applicant Companies who were members of the Kerosine Pool suppressed a very important fact in their representation to the Godernment of India that the Royal Dutch Shell Group had recognised their claim to compensa-

tion for losses suffered as a result of the price war, which, as admitted by the Government of India in their Resolution dated the 12th September 1928, (No. 141-T. (48), Government of India, Department of Commerce), was material to the issue whether there was a prima facie case for an enquiry or not, do Government propose to take steps to recover the entire costs of the enquiry by the Tariff Board from those Companies ?

Starred. LEGISLATIVE ASSEMBLY.

To be answered on the 24th September 1928.

(Reply by the Hon'ble Sir George Rainy, K.C.I.E., C.S.I., I.C.S., M.L.A., to Mr. Srish Chandra Dutta's **starred** question—Serial No. 69 in Admitted List No. 52-A, regarding Tariff Board's report on Oil Industry).

(a) The Hon'ble Member is referred to the reply given to the second part of question No. 369 asked by Mr. Gaya Prasad Singh on the 11th September last.

(b) No.

APPENDIX 27.

REPORT OF THE TARIFF BOARD REGARDING THE OIL INDUSTRY ENQUIRY.

No. 2758, dated 5th December 1928.

From Chamber, to the Government of India, Department of Commerce, New Delhi.

My Committee have considered the Report of the Tariff Board regarding Oil Industry, and beg to convey hereby their views thereon to the Government of India.

In the first place, my Committee feel it their duty to congratulate Sir Padamji Ginwala, Kt., President of the Tariff Board, on the very masterly elucidation he has given of the case of the oil companies for protection, and the manner in which he has exposed all their pretensions. The case put forward by the applicant oil companies has been turned down not only by the President himself but by his two colleagues, as also by Government in their Resolution reviewing the Report of the Tariff Board. The oil companies were given every opportunity before and during the course of the Enquiry for stating their case, and they did not utilise such an opportunity given to them at the time. Instead they withdrew their application for protection, and affect to be judges of the considered judgment of the President and Members of the Tariff Board, and of the decision of the Government of India. The reply given by the Burmah Oil Company to the criticisms levelled against the operations of the applicant oil companies and the methods adopted by them with regard to the Enquiry of the Tariff Board is not satisfactory, and is, at best, analogous to the criticism an accused and convicted person my direct against the Judgment of the Presiding Judge, and as such need not be taken into consideration. The matter, however, cannot, in the opinion of my Committee, be left at this stage, and further enquiries are vitally necessary in the interests of the country at large. This enquiry should be directed with a view to three ends: (1) regarding the cost of production, (2) refineries, and (3) prices at which crude oil can be imported into Indian ports and at which it should be sold after making due allowance for refinery costs. With regard to refineries, the enquiry must show the probable cost and outlay as also devise ways and means for bringing such concerns into existence. It must also show the safeguards against the octopus of any Trust or monopoly, and show how to protect the same against it. The Tariff Board was not expected to go into the figures of cost of production, without which it is not possible to find out how Indian prices stand in relation to what may be called "world parity." The President of the Tariff Board has suggested in paragraph 16 of his report that attempts should be made to get crude oil imported in the country and get it refined by an Indian concern or concerns.

This valuable suggestion must needs be, however, supported by facts to make it useful and practicable, and for this purpose it is essential that there must be a full and comprehensive Enquiry. My Committee trust that such a Committee of Enquiry will be appointed by Government as soon as possible.

The principal pertinent fact which comes out from the report of the Tariff Board is that the interests of consumers have been sacrificed to interests of oil companies. On their own showing, consumers were mulcted to the extent of Rs. 5 crores per annum, owing to oil having been in the hands of Oil Trust and heavier than economic prices being charged." It is the experience of the business community in this country that both Government and the Anglo-Indian commercial community have put forward the hackneyed plea of so called consumers' interests whenever there was any talk of protection for any indigenous industry. Government always have been putting themselves forward as "Trustees," of the consumers' interests. They have failed in their duty miserably as "Trustees," so far as consumers' interests with regard to oil were concerned. Not only as aforesaid were consumers mulcted to the extent of Rs. 50 crores, but that the oil companies make a pretence of generosity by saying that they forewent about Rs. 4 crores by not charging as high prices to the consumers as they could have possibly done. It means that the enormous sum of Rs. 9 crores could have been mulcted from the consumers in India if the oil companies had thought to do so. Such a state of things cannot be contemplated with equanimity and must be put a stop to as soon as possible. Oil companies are being allowed by the Majority report 10 per cent as profits on distribution alone, which, in the opinion of my Committee, is an abnormal amount from the standpoint of any trade.

APPENDIX 28.

PROTECTION TO THE TYPE FOUNDRY INDUSTRY.

No. 2534, dated 8th November 1928.

From Chamber, to the Secretary, Tariff Board, Bombay.

I am directed by my Committee to submit their views regarding the claim of the Indian Type Foundry Industry for protection against the inroads of foreign manufacturers, specially Continental, as under :—

The Indian Type Foundry Industry has been making satisfactory progress in the country, and there are about 88 factories manufacturing Types, both English and Vernacular. A large portion of the raw materials used in that Industry like lead, antimony and tin is found in the country in good quantity ; and there is an ample supply of cheap labour for the same.

The total production of types in India is estimated approximately to be 16 lakhs lbs., worth about Rs. 16 lakhs ; and thus the indigenous Industry is in a position to supply the requirements of the country.

The import of foreign types is valued at about Rs. 3 lakhs and the import in quantity is about 44.75 tons from England and 45.65 tons from Germany. The English types are being sold at about Rs. 2 per lb. The German types are selling at about Re. 0-9 6 per lb. and thus are underselling other and indigenous types to a very material extent.

One of the anomalies of the present position, as it appears to my Committee is, that while there is only a duty of 2½ per cent. on manufactured products like types, the duty on raw materials used in that Industry is 15 per cent. My Committee have reasons to believe that the Indian Type Industry is hard hit by such an anomalous import duty.

I am, therefore, directed by my Committee to express strongly their sympathy with the suggestion for protection of the Type Foundry Industry on the grounds above set forth, and hope that the Tariff Board will be pleased to consider the claim of the Industry favourably and sympathetically.

APPENDIX 29.

BILL TO AMEND STEEL INDUSTRY PROTECTION ACT.

(RE. WAGON INDUSTRY, ETC.).

LEGISLATIVE DEPARTMENT.

We, the undersigned, Members of the Select Committee to which the Bill to provide for the modification of certain import duties relating to the protection of the steel industry in British India was referred, have considered the Bill and have now the honour to submit this our Report with the Bill as amended thereto.

The main object of the Bill is to protect the Indian wagon industry by raising the present revenue duty of 10 per cent ad-valorem on wagons and carriage under-frames to a protective duty of 17 per cent. ad valorem, with a further duty of Rs. 15 per ton where these articles are not of British manufacture. While we are keenly alive to the need for protecting the Indian wagon industry, we regret we cannot accept the proposal put forward by the Government to achieve this object. Our reason for rejecting the proposal is that the measure of protection proposed in the Bill is in excess of the recommendation of the Tariff Board. In our opinion any proposal to increase a measure of protection recommended by the Board must be supported by strong reasons; and, after carefully considering the reasons given by Government in this instance, we have come to the conclusion that they are not strong enough.

On the evidence before them the Tariff Board found that under the stimulus of the bounty scheme, the wagon industry has made great progress and is now able to meet a large proportion of the normal demand for wagons and under-frames in India, and that the wagon manufacturers have reached a stage when they can ordinarily withstand foreign competition without any assistance other than the existing revenue duty. Whenever, therefore, the demand for wagons and under-frames is normal, there is no need for protection. The need for some form of assistance has arisen just now from the fact that the requirements of the Indian Railways for wagons and under-frames for some time will be below the normal requirements. To meet this situation the Tariff Board have recommended that until the demand for wagons and under-frames reaches a total of 5,000 annually (in terms of C.-2 wagons), all orders should be placed in India by competitive tenders from Indian manufacturers. The Board further found that it is desirable to fix maximum prices within which tenders will be accepted, and recommend that, subject to minor adjustments, such maximum prices should be fixed at the level of the lowest approved c. i. f. prices, as shown in the tenders for wagons in November 1925, and for under-frames in April, 1926, with an addition of 12½ per cent.

The main reason advanced for deviating from the recommendation of the Board is that the protection recommended by the Board will prove inadequate if the number of wagons ordered is less than 3,000, or if small orders for the various types are given. It is to meet these contingencies that the Government propose a 17 per cent. import duty.

We think that the Tariff Board has given due consideration to the factor of the variations in types. In paragraph 63 the Board observes that "some allowance must be made on account of the fact that orders placed will represent a greater variety in the types of wagons manufactured." Later on in paragraph 68 they observe, "we believe that in our estimate we have provided a sufficient margin to meet probable variations in the number and types of wagons ordered." It seems clear that the Board has taken into consideration this factor in arriving at what they consider to be a

reasonable price, and we do not consider that the presence of this factor is a sufficient reason for raising the duty. We agree, however, that where the number of wagons ordered is less than 3,000, or where the number of wagons ordered of a particular type is small, it should be open to the Government of India to increase the maximum price within which tenders will be accepted.

Our objection to the Government proposal is reinforced by the fact that this proposal was actually considered by the Board and deliberately rejected. In paragraph 68 the Board observes "we therefore cannot agree to the proposal of Messrs. Burn and Company and the Indian Standard Wagon Company that a duty of 17 per cent. should be imposed so long as the demand for rolling stock remains abnormal." In the face of this considered opinion of the Tariff Board, we do not feel justified in agreeing to the proposal of the Government, which not merely increases the measures of protection recommended by the Board, but adopts a course considered and rejected by the Board. Such a course of action may prove to be an undesirable precedent.

Apart from the above considerations, we must draw attention to one other aspect of the question. The Tariff Board lays emphasis not so much on the price to be given, as on the necessity of placing all orders in India. In paragraph 68, the Board observes "At the same time, it Must be recognized that if orders are placed by competitive tender received both from India and abroad, exceptional circumstances may occur which would result in orders being lost to Indian firms in spite of a higher duty. Even if the orders so lost were few, the effect on the Indian industry might be exceedingly unfortunate, and in the case of the Indian Standard Wagon Company, which manufactures wagons only, might result in the closing of the works and all the hardship which unemployment entails for the Indian staff. On the whole, therefore, we think it advisable to maintain the existing revenue duty of 10 per cent. and to arrange that all the orders are placed in India." Provided this aspect of the question is kept fully in view by the Government of India, there will be no need, we think, for a higher duty.

No case has been made out for the extra duty of Rs. 15 per ton on wagons and under-frames of Non-British manufacture. The difference in quality between British and Non-British steel was advanced in support of the preferential treatment provided for in the last Steel Protection Bill passed by the Legislature. In the case of manufactured articles like wagons and under-frames, we believe, the articles like wagons and under-frames, the articles will have to pass the test of the Railway Board which is based on British standard specification, and the question of difference in quality will not arise. If the extra duty were to operate it would give to Indian manufacturers more protection than they are entitled to receive. If the additional duty is meant to be inoperative, there is no purpose in providing for it in the Act. In our opinion, therefore, no case has been made out for the differential duty proposed in the Bill.

For all these reasons we have not been able to accept the proposal contained in the Bill. We have been advised that from the drafting point of view it is not possible to incorporate the recommendation of the Tariff Board in the present Bill. We, therefore, recommend that the proposals of the Tariff Board for the protection of the wagon industry may be given effect to either by Resolution in the Assembly or by some other suitable means.

This decision involves the deletion of Items Nos. 2, 3 and 6 from the Schedule to the Bill, the deletion of sub-clause (2) of clause 2 and the amendment of the Preamble. We have carried out these amendments, and have re-numbered the Items in the Schedule.

Items Nos. 4 and 5 of Schedule to the Bill as introduced in the Assembly, now Items 2 and 3 of the Bill as amended by us, have the effect of abolishing the protective duty of Rs. 3 per cwt. on certain kinds of wire and nails. Among the reasons given by the Tariff Board for the abolition of this duty was the fact that the Indian Steel Wire Products, Limited, the only Company which then manufactured steel wire and nails in India, had gone into liquidation. We now learn that the effects of this Company have

been acquired by a private individual; but he must have known when making his purchase, that the continuance of the protective duty on steel wire and wire nails was under examination, as this was made clear in Government of India (Department of Commerce—Tariff) Resolution No. 362-T.(3), dated the 17th July 1926. We, therefore, see no reason to depart from the recommendations of the Tariff Board that the protective duty on wire and wire nails should be discontinued, and that the question may be re-considered when the manufacture of wire rod on a commercial scale is established in India.

We concur in the proposal contained in Item 2 of the Bill as amended by us, that the duty on iron or steel bolts and nuts should be raised to Rs. 2 per cwt. as recommended by the Tariff Board.

The Bill was published in the Gazette of India of the 3rd March 1928.

We think the Bill has not been so altered as to require re-publication, and we recommend that it be passed as now amended.

K. C. NEOGY.*
G. RAINY.†
W. S. LAMB.
PURSHOTAMDAS THAKURDAS.*
G. D. BIRLA.*
JAMNADAS M. MEHTA.*
R. K. SANMDKHAM CHETTY.*
H. ABDULLAH H. KASIM.*
W. S. J. WILLSON.
FAZAL I. RAHIMTULLA.*
CHAUDHURY MD. ISMAIL KHAN.

The 8th March, 1928.

* Subject to notes.

† Subject to minute of dissent.

MINUTE OF DISSENT.

I am unable to agree to the excision of the clauses in the Bill which provide for an increase in the duty on wagons, carriage underframes and their component parts. I fully accept the view of the Tariff Board that, until orders for wagons can again be placed on a normal scale, all orders should be placed in India subject to a maximum price, and that in fixing the maximum price an addition of 12½ per cent. to the prices paid in 1925-26 will serve as a general guide. But if the Indian wagon building firms refuse to take the orders at the maximum prices which Government consider reasonable, there will be no alternative but to call for simultaneous tenders, and if the duty remains at 10 per cent., there is a danger that some of them may be lost to the Indian firms. For this reason the increase of the duty appears to me to be necessary.

G. RAINY.

NOTE.

The Government of India have rejected the Tariff Board's recommendations for protection of steel castings by bounty. We recognise that the question of bounty is not technically within the scope of this Bill, and are therefore, prevented from making any provision in this Bill for the protection of this industry by bounty even if some of us were so disposed. We wish to remind Government of the conditions on which payment of bounties was made dependent in the Steel Industry (Protection) Act of 1924, the principle of these conditions being that a substantial portion of the materials used in the manufacture of wagons shall be of Indian origin. In so far as steel castings form a component part of wagons, a strict enforcement of this condition is likely to afford this industry some measure of indirect protection. And it is in the confidence that these conditions will strictly govern the placing of orders for wagons hereafter, that we do not consider it necessary to press for any legislative provision in this behalf.

PURSHOTAMDAS THAKURDAS.

G. D. BIRLA.

K. C. NEOGY.
H. ABDULLAH H. KASIM.
JAMNADAS M. MEHTA.
R. K. SHANMUKHAM CHETTY.
FAZAL I. RAHIMTULLA.

(As amended by the Select Committee.)

A

BILL

TO

Provide for the modification of certain import duties relating to the protection of the steel industry in British India.

WHEREAS it is expedient, in pursuance of the policy of discriminating protection of industries in British India with due regard to the well-being of the community, to remove the protective duty now leviable on certain kinds of iron or steel nails and wire, the said protective duty being no longer required;

AND WHEREAS it is also expedient to remove the existing inequality of tariff treatment as between manufacturers in British India and manufacturers abroad of iron and steel bolts and nuts;

It is hereby enacted as follows:—

Short title and commencemmt

1i (1) This Act may be called the Steel Industry (Protection) Act, 1928.

(2) It shall come into force on the 1st day of April, 1928.

Amendment of the Second Schedule to Act VIII of 1894,

2. In the Second Schedule to the Indian Tariff Act, 1894, there shall be made the amendments specified in the Schedule to this Act.

* * * * * * * * * * *

THE SCHEDULE.

(See section 2.)

AMENDMENTS TO THE SECOND SCHEDULE TO THE INDIAN TARIFF ACT, 1894.

1. In item No. 61—

(a) the second sub-item, namely,

" „ „ bolts and nuts, including hookbolts and nuts for roofiing."

shall be omitted;

(b) in the fourth sub-item, the words, brackets and figures " not otherwise specified (see No. 145) " shall be omitted, and

(c) in the tenth sub-item, for the words " barbed or stranded fencing wire and wire-rope " the words " wire including fencing-wire and wire-rope, but excluding wire netting " shall be substituted.

* * * * * * * * * * *

2. For item No. 145, the following shall be substituted namely :—

" 145 IRON OR STEEL BOLTS AND NUTS, including hookbolts and nuts for roofing. Rs. 2 per cwt."

3. Item 149 shall be omitted.

* * * * * * * * * * *

Dated 13th March 1928.

Telegram from Chamber, to Sir Purshotamdas Thakurdas, New Delhi.

" Committee approve Report of the Select Committee regarding Bill (to amend) steel Industry Protection—Inchambu."

APPENDIX 30.

TARIFF VALUES FOR HIDES AND SKINS FOR 1929.

No. 7957-C.I.A., Calcutta, dated the 22nd September 1928.

From the Director-General of Commercial Intelligence and Statistics, to Chamber.

Tariff values of hides and skins.

In accordance with the terms of my letter No. 3562, dated the 9th May 1921, I write to say, for the confidential information of your Chamber, that it is proposed to revise the tariff values of hides and skins for export duty with effect from 1st January 1929, and I enclose a statement showing the values which it is proposed to bring into effect from that date.

If you desire to put forward any criticisms of the rates proposed, I shall be glad if you will kindly let me have them at as early a date as possible—before the 22nd October next. In order to avoid misapprehension, I would add that these rates are intended to represent averages at the major Indian ports of all the grades under each heading exported from India.

Names of Articles.	Per.	Proposed tariff values. Rs. a. p.
RAW HIDES AND SKINS IF EXPORTED FROM ANY PLACE IN BRITISH INDIA OTHER THAN BURMA—		
(1) Arsenicated and air-dried hides—		
(a) Cows (including calf skins) Framed	lb.	0 10 0
Do. ,, Unframed		0 6 9
(b) Buffaloes (including calf skins) Framed		0 8 0
Do. ,, Unframed		0 5 0
(2) Dry salted hides—		
(a) Cows (including calf skins)	,,	0 7 9
(b) Buffaloes (including calf skins)	,,	0 4 6
(3) Wet salted hides—		
(a) Cows (including calf skins)	,,	0 5 0
(b) Buffaloes (including calf skins)	,,	0 2 9
(4) Goat and kid skins	piece	1 10 0
(5) Sheep skins	,,	1 1 0

No. 2378, dated 20th October 1928.

From Chamber, to the Director-General of Commercial Intelligence and Statistics, Calcutta.

With reference to your letter of the 22nd September 1928, No. 7957-C.I.A., I am directed to inform you that my Committee would suggest the following rates for hides and skins instead of those proposed by you in view of the fact that the prices for the same ruling in the market during the current year were approximately equal to the rates suggested by them .—

	Per.	Rs.	as.	p
1. Arsenicated and air-dried hides—				
(a) Cows (including calf skins, framed ..	lb.	1	0	0
Do. do. „ unframed ..	„	0	10	0
(b) Buffaloes (including calf skins) framed	„	0	9	0
Buffaloes (including calf skins) Unframed	„	0	6	0
2. Dry salted hides—				
(a) Cows (including calf skins)	„	0	10	0
(b) Buffaloes (including calf skins) ..	„	0	6	0
3. Wet salted hides—				
(a) Cow (including calf skins)	„	0	7	0
(b) Buffaloes (including calf skins) ..	„	0	4	0
4. Goat and Kid skins	piece	2	2	0
5. Sheep skins	„	1	8	0

APPENDIX 31.

PROPOSALS FOR THE AMENDMENT OF TARIFF VALUED HEADS.

No. 4732, Calcutta, dated the June 1923.

From the Director-General of Commercial Intelligence and Statistics, to Chamber.

I write to enclose a statement showing the proposals received to date for the amendment of some of the tariff-valued heads as notified under Government of India, Commerce Department Notification No. 73-T. (50), dated the 24th December 1927. These proposals are for consideration at the next annual revision of tariff values at the end of the current year and I shall be much obliged if your Chamber will kindly examine them meanwhile and furnish me with its views on them by the end of September next.

Statement showing proposals for the amendment of tariff-valued heads at the annual revision of tariff values in 1928.

No. in the Govt. of India Commerce Dept. Notification No. 73-T. (50) dated 21-12-27.	Proposals.	Remarks.
78	It is proposed to recast all the tariff-valued heads under this No. as follows :—	The proposal does not involve any change in the existing classification of raw silk. It merely groups the descriptions according to countries of origin and is intended to remove any doubts that may arise from the existing arrangement of heads.
	Name of Articles. Per. Coir fibre .. .. .. cwt. Hemp, raw .. .. „ Silk, raw— (a) Bokhara .. .. lb. (b) Chinese— Mathow .. .. „ Panjam .. .. „ White Shanghai, Thonkoon or Duppion .. „ White Shanghai, other kinds .. „ White other kinds.. „ Yellow Shanghai .. „ Yellow other kinds „ (c) Persian .. .. „ (d) Siam .. .. „	
88	It is proposed to drop the tariff value of carbonate of amonia.	This article on account of its liability to decomposition into some other chemical is considered unsuitable for assessment on a tariff value.
88	It is proposed to simplify the existing classification of Camphor as follows :— (a) Camphor refined other than powder. (b) Camphor powder other than Synthetic. (c) Camphor powder, Synthetic	

No. 6147, Calcutta, dated the 20th July 1928.

From the Director-General of Commercial Intelligence and Statistics, to Chamber.

In continuation of my letter No. 4732, dated the 6th June 1928, I give below a list of additional articles for which tariff values are proposed to be fixed with effect from 1st January 1929. These proposals are for consideration at the next annual revision of tariff values at the end of the current year and I shall be much obliged if your Chamber will kindly examine them meanwhile and furnish me with its views before the end of September next.

No. in the Govt. of India Commerce Dept. Notification No. 73-T.(50) dated 24-12-27.	Description of Articles.	Per.
74	Gum dammer	Cwt.
77	Mineral grease.	lb.
134	Japan—	
	Silk and artificial silk mixed Fugi and Boseki, all kinds	,,
	Silk and artificial silk mixed piecegoods not otherwise specified	,,

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No. 6601-C.I.C., Calcutta, dated the 6th August, 1928.

From the Director-General of Commercial Intelligence and Statistics, to Chamber.

In continuation of my letter No. 6147, dated the 20th July 1928, I give below two further proposals affecting the tariff classification of glass bangles under item No. 131 in the Commerce De-

partment Notification No. 73-T. (50), dated the 24th December 1927. These proposals are for consideration at the next annual revision of tariff values and I shall be much obliged if your Chamber will kindly examine them meanwhile and furnish me with its views before the end of September next.

1. **European glass bangles.**—The classification of these bangles has never been satisfactory although it has been recast at every annual revision. No scientific basis for classification seems possible and the fancy names by which the bangles are classified are not properly understood at all the ports and lead to confusion. Moreover, new types of bangles are continuously coming into vogue giving rise to border line cases which are a fruitful source of dispute between the importers and the Customs authorities. The only alternative is to assess them on the ad valorem basis and it is proposed to drop the tariff values of all descriptions of European glass bangles with effect from next year. This suggestion has the approval of the Bombay Glass Bangles Merchants' Association.

2. **Japanese glass bangles.**—Last year the "Hollow or tube" head was split into two by the addition of a new head "New gold (hollow or tube) &c." This has led to some confusion and disputes have arisen over the assessment of some varieties of hollow or tube gold bangles. It is now proposed to amalgamate the two heads and group all hollow or tube bangles under one head with a flat tariff value. This proposal too has the approval of the Bombay Association.

No. 6701 C.I.-C., Calcutta, the 9th August 1928.

From the Director-General of Commercial Intelligence and Statistics, to Chamber.

In continuation of my letter No. 6601 of the 6th instant, I write to say that under item No. 105 (cinematograph films) in the

Commerce Department Notification No. 73-T. (50), dated the 24th December 1927, the first sub-head under " Exposed standard positive films, new or used " is proposed to be amended to read " Proved to have been printed from films exposed in India." The intention is to include under the lower tariff value exposed standard positive films printed abroad from negatives exported undeveloped from India. It has been pointed out that the difference in the costs of films printed from negatives developed in India and those printed from negatives sent undeveloped from India is rather small and will justify the grouping of the two kinds of films under one tariff value. The proposal is for consideration at the next annual revision of tariff values and I shall be much obliged if your Chamber will kindly examine it meanwhile and furnish me with its views before the 15th of September next.

No. 7176-C.I. C., Calcutta, dated the 24th August 1928.

From the Director-General of Commercial Intelligence and Statistics, to Chamber.

I write to invite a reference to my letters Nos. 4732, dated 6th June 1928, 6147, dated 20th July 1928 and 6601, dated 6th August 1928 and shall be much obliged if you will be so good as to furnish me with the views of your Chamber on the proposals contained therein by the 15th September next instead of by the end of that month as requested therein. This change in date has become necessary owing to certain unforeseen circumstances arising.

No. 2063, dated 14th September 1928.

From Chamber, to the Director-General of Commercial Intelligence and Statistics, Calcutta.

I am directed to acknowledge receipt of your letters dated 6th June, 20th July, 6th August and 9th August 1928, respectively, and inform you that my Committee have no objection to various proposals made in the same in connection with the tariff-valued heads.

With regard to the proposed simplification of the existing classification of Camphor, my Committee suggest that there should be only two classifications, *viz.*:—(1) Camphor refined other than powder; and (2) Camphor powder, including synthetic powder, instead of three classifications, as proposed by you.

APPENDIX 32.

REVISION OF THE LIST OF COTTON PIECEGOODS

No. 7784-C.I.-C., Calcutta, datedthe 15th September 1928.

From the Director-General of Commercial Intelligence and Statistics, to Chamber.

I write to invite a reference to the Resolution of the Government of India in the Finance Department (Central Revenues) R. Dis. No. 1356-Cus. 27, dated the 5th December, 1927 (copy attached), and to enquire whether you have any modifications to suggest in the list of cotton piecegoods appended to that Resolution.

If you have any additions to the list to propose, I should be obliged if samples and full particulars of the goods concerned could be forwarded with your reply.

It would be convenient if your proposals reach me not later than the 15th October next.

R. Dis. No. 1356-Cus.-27.

GOVERNMENT OF INDIA.

FINANCE DEPARTMENT (CENTRAL REVENUES).

New Delhi, the 5th December 1927.

RESOLUTION.

With reference to the Resolution of the Government of India in the Department of Commerce No. 5474, dated the 19th October 1922, and in supersession of the Resolution of the Government of India in the Finance Department (Central Revenues) C. N. 1141-Cus.-26, dated the 25th December 1926, the Government of India have decided to prescribe the appended list of cotton piece-goods for the assessment of import duty under No. 45 in Schedule II attached to the Indian Tariff Act, 1894.

V. S. SUNDARAM,

Deputy Secretary to the Govt. of India.

LIST OF COTTON PIECE-GOODS.

Aeroplane cloth (cotton).
Alhambras.
Angolas (cotton).
Apron cloth (cotton).
Austrias and Argentinas (cotton).
Batistes (cotton).
Beaverteens (cotton).
Billiard cloth (cotton) in rolls.
Blankets (cotton).
Book-binding cloth.
Brilliants.
Brocades (cotton).
Broche.
Buckram (cotton).
Calicoes.
Cambrics, plain, dyed or printed.
Cantoons.
Canvas (cotton).
Canvas, French elastic (cotton).
Casement cloth (cotton).
Cashmeres (cotton).
Cellular cloth.
Checks, spots and stripes.
Chiffons (cotton).
Chinese dyed cloths.
Chintz, glazed or unglazed.
Choonris
Chadars.
Chadar-pattas.
Coatings (cotton) including gabardines.
Corduroy and corded cloth (cotton).
Cotton flakes.
Counterpanes, unhemmed (including unhemmed bed-spreads and unhemmed bed covers).
Crapes (cotton).
Crash (cotton).
Crepons (cotton).
Cretonnes.
Crimps (cotton).
Damask, cotton, table.
Dawanies.
Delaines (cotton).
Delametti.
Denims.
Dhotis.
Diagonals (cotton)
Diapers (cotton).
Dimity.
Domestics.
Domettes (cotton).

LIST OF COTTON PIECE-GOODS. (contd.)

Dorias.
Dosooti.
Dress, plain or printed (cotton).
Drills, plain, striped or checked.
Duck.
Dungari.
Dupettas.
Dusters (when joined by the warp).
Embroidered allovers.
Embroidered flounces.
Fents (cotton).
Filter cloth (cotton).
Finduras.
Flannelette (cotton flannel).
Frieze cloth (cotton).
Galateas.
Gambroons.
Gauze (cotton).
Ghagras (cotton).
Ginghams (cotton).
Glass cloths (when joined by the warp) (cotton).
Grenadines (cotton).
Gumchas.
Hair-cords.
Handkerchiefs (in woven pieces).
Harvards.
Holland and blind cloth (cotton)
Hollands (cotton).
Italians (cotton).
Jaconets, plain or bordered.
Jeans, plain, dyed or printed.
Lace curtain cloth.
Lace stripes.
Lambskins (cotton).
Lapets.
Lastings.
Lawns.
Lenos.
Limbries (cotton).
Linenette (cotton).
Linings, plain, striped or mercerised.
Longcloths.
Lungis.
Lustres (cotton).
Madapollams.
Madras cloth.
Marcella.
Matte shirtings.
Matting (cotton).
Mattress cloth.
Meltons (cotton).
Mercerised cloth.
Merinos (cotton).
Merins.
Mexicansi
Moleskins (cotton).
Molleton cloth.
Morias.
Moreens (cotton).
Mulls, all kinds, plain or bordered.
Muslins (cotton), all kinds.
Nainsooks.
Net (cotton).
Nun's veiling (cotton).
Oatmeal cloth.
Pacalene, black (cotton).
Pagri cloth.
Penelope canvas.
Pillow calico, tubular.
Piques.
Plumettiffs (cotton).
Plushette.
Pompadour.
Pongees (cotton).
Poplins and Poplinettes (cotton).
Printed crepelle.
Prints.
Printers (plain and coloured).
Putsoes.
Quiltings (cotton).
Quilts.
Radium cloth.
Regattas.
Rep cloth (cotton).
Rugs (cotton), travelling.
Sail cloth (cotton).
Saris.
Sarongs.

LIST OF COTTON PIECE-GODDS. (contd.)

Sateens, plain, dyed or printed.
Satinette.
Satin stripes (cotton).
Scarves (cotton).
Serges (cotton).
Shawls (cotton).
Sheetings.
Shirtings.
Silecia.
Silkette, plain or stripes.
Spanish stripes (cotton).
Sponge cloth (cotton).
Suraline.
Sussi cloth.
Suitings (cotton).
Swansdown calico.
Taffettas (cotton).
Tambours.
Tameins (unfinished).
Tanjibs.
Tapestries (cotton).
Tailatans.
T. cloths.
Ticking mattress or blind (cotton).
Tobralco cloth.
Towels (cotton) in woven pieces and towel cloth including Terry cloth.
Trouserings (cotton).
Tulle (cotton).
Turbans (cotton).
Turkey red cloth.
Tussor cloth (cotton) and Tussorette.
Tweeds (cotton).
Twills (cotton), plain, dyed or printed.
Umbrella cloth (cotton).
Undershirt cloth (cotton).
Valencias.
Velvets (cotton).
Velveteen (cotton).
Venetian cloth (cotton).
Vestings or waist-coatings (cotton).
Voiles (cotton).
Zephyrs.

No. 2293, dated 9th October 1928.

From Chamber, to the Director-General of Commercial Intelligence and Statistics, Calcutta.

With reference to your letter No. 7784-C.I.-C., dated 15th September 1928, I am directed by my Committee to inform you that they have no modification to suggest in the list of cotton piece-goods sent with your letter.

APPENDIX 33.

SECTION 30 (B). SEA CUSTOMS ACT—ASSESSMENT UNDER RECORD OF VALUE IN THE CURRENCY OF INVOICE.

New Custom House,
Bombay, 6th March 1929
R. S. R. No. 5965 of 1927.

From A. M. GREEN, Esqr., M. A., I.C.S.,
Collector of Customs, BOMBAY, to Chamber,

Subject:—Section 30 (b), Sea Customs Act —assessment under record of value in the currency of invoice.

I have the honour to state that recently a case was discovered in which the appraiser, in converting an invoice value in foreign currency into Indian currency, made a simple but serious arithmetical mistake which resulted in a loss of about Rs. 25,000 to Government revenue. The calculation could not be checked by my Audit Department as the value in the original currency of the invoice was not recorded in the bill of entry and only came to light adventitiously. To prevent similar mistakes passing undetected in future, I have with the approval of the Central Board of Revenue issued a notice requiring importers of goods assessable to duty under section 30 (b) of the Sea Customs Act to record in the bill of entry the value of the goods in the original currency of the invoice and its rupee equivalent so that my Audit Department can check the conversion. I enclose a copy of the notice dated 5th March 1928 for information of your Chamber.

NOTICE.

In exercise of the powers conferred by Section 86 of the Sea Customs Act, VIII of 1878, the Collector of Cutoms hereby re-

quires the importers of goods assessable to duty on invoice value under Section 30 (b) of the Sea Customs Act to record with effect from 1st April 1928 against each item of the Bill of Entry the invoice value of the goods inclusive of all charges in the original currency of the invoice in addition to the rupee equivalent. The rate at which the conversion is made should also be declared at the bottom in the body of the Bill of Entry.

New Custom House,
Bombay, 5th March 1928.

(Sd./) A. M. GREEN,
Collector of Customs and
the Chief Customs Officer
for the Port of Bombay.
5-3-28

APPENDIX 34.

DRAWBACK OF CUSTOMS DUTY ON SUGAR USED IN CONFECTIONARY EXPORTED FROM INDIA TO CEYLON.

(*Vide Item No.* 66 *of the Chamber's Report for* 1927)

No. 1224, dated 18th May 1928.

From Chamber to the Government of India, Finance Department, (Central Revenues).

Subject:—Drawback of Customs Duty on sugar used in confectionery exported from India.

With reference to the correspondence ending with your letter No. D. Dis. 382-Cus./27, dated the 5th May 1927, my Committee will be obliged if Government will be pleased to inform them as to the final position of the proposal before the Government to amend the Customs law so as to allow of drawbacks of the Duty paid on raw materials used in the manufacture of exported goods.

In this connection, it may be pointed out that there has been a further reduction in England on the sugar duty, which, my Committee believe, will enable English manufacturers of confectionery to reduce their prices. The Indian manufacturers will thus be handicapped in their export trade with Ceylon and other places. In view of this my Committee wish to emphasise the necessity of devising suitable means to protect the interests of Indian manufacturers of confectionery.

D. A. Dis. No. 609-Cus/28.

From the Government of India, Finance Department, (Central Revenues) to Chamber.

Simla, the 28th May 1928.

With reference to the letter quoted above, I am directed to say that the position with regard to the proposal in question is the same as was explained in my letter D. Dis. No. 382 Cus-27, dated the 5th May 1927. The above is one of a large number of proposals for the amendment of the Sea Customs Act upon which the Government of India have not yet been able to reach a decision.

No. 1495, dated 26th June 1928.

From Chamber to the Government of India, Finance Department, (Central Revenues), SIMLA.

With reference to your letter No. D. A. Dis. 609/Cus./28 dated 28th May 1928, my Committee note that the reference made by them is one of a large number of proposals for the amendment of the Sea Customs Act upon which the Government of India have not yet been able to reach a decision. My Committee would like to point out in this connection, that at the time of the last Budget session of the Indian Legislature, they had through their representative on the Assembly, emphasised the necessity of a close examination of the entire Schedule of Customs duties with a view to remove anomalies which bore heavily on the industries of the country and with a view to the establishment of duties on a

scientific basis. My Committee will feel obliged if Government will be pleased to inform them as to what steps are being taken with regard to the various amendments, which have been proposed and whether an early decision may be expected.

C. No. 67-Cus/I/28.

From the Government of India, Finance Department, (Central Revenues), to Chamber.

Simla, the 4th July 1928.

I am directed to acknowledge the receipt of the letter quoted above, and to say that it has been transferred to the Commerce Department for disposal.

APPENDIX 35.

GOVERNMENT OF INDIA'S LETTER REGARDING THE CHAMBER'S VIEWS ABOUT THE GENERAL IMPORT DUTY OF 15%

No. 139-T (30).

From the Government of India, Department of Commerce, to Chamber.

Simla, the 22nd September 1928.

I am directed to refer to your letter No. 1495 of the 26th June 1928, to the address of the Secretary to the Government of India, Finance Department (Central Revenues), and to state that the views of your Committee to the effect that the general import duty of 15% *ad valorem* should not be reduced except after a full and exhaustive enquiry directed to placing the import duties on a scientific basis, have been noted.

No. 2760, dated 6th December 1928.

From Chamber to the Government of India, Department of Commerce, New Delhi.

re: Your letter No. 136-(30),

dated 22-9-1928.

I am directed by my Committee to draw your attention to the following remarks in your above letter;—

> "the views of your Committee to the effect that the general import duty of 15 % *ad valorem* should not be reduced except after a full and exhaustive enquiry directed to placing the import duties on a scientific basis, have been noted".

and to say that they are afraid Government have not correctly understood their attitude on this question. The above remarks seem to have been made in relation to certain observations, my Committee made at the time of the last Budget session on paragraph 29 of Sir Basil Blackett's speech introducing the Budget for 1928-29. What my Committee then said was:—

> "Committee do not agree with paragraph 29 which states that the revenue tariff wants revision, but would favour a close examination of the entire schedule of Customs with a view to remove anomalies which bear heavily on the industries of the country, and with a view to the establishment of duties on a scientific basis."

Government seem to have understood these remarks as favouring a reduction (*i.e.* a revision downwards) of the general import tariff of 15 %, although, my Committee had said in so many words, that they did not agree that the revenue tariff wanted a revision and I am, therefore, to point out that this is a misapprehension of their attitude on this question. What they then urged was a close examination of the entire schedule with a view to remove anomalies that bear heavily on the industries of the country, and to the establishment of import duties on a scientific

basis, i.e. so arranged and co-ordinated as to advance the best interests of the country as a whole and so develop its industries as to provide wider avenues of employment for the teeming millions of India. Such a scientifically thought out tariff may result in some articles which are the raw materials of industry being made entirely free, while a good many others may call for import duties of 40 % to 50 %, and even higher. My Committee hope Government will now see that they never meant their remarks to mean a reduction downwards of the present revenue tariff.

No. 139-T (32).

From the Government of India, Department of Commerce, to Chamber.

New Delhi, the 24th December 1928.

Sir,

In reply to your letter No. 2760, dated the 6th December 1928, I am directed to say that the Government of India have noted the views of your Chamber on the above subject.

APPENDIX 36.

PROTECTION TO THE CHEMICAL INDUSTRY IN INDIA.

No. 2030, dated Bombay, 11th September 1928.

From Chamber to the Tariff Board, SIMLA.

Subject :—Protection to Indian Chemical Industry.

With reference to the Resolution No. 199-T (8) of the Government of India, Department of Commerce, dated 16-7-28, on the above subject, I am directed by the Committee of this Chamber to submit hereby their views on the same :

My Committee are fully convinced that the conditions laid down in paragraph 97 of the Report of the Indian Fiscal Commission are stisfied generally in the case of the manufacture of chemicals in India. My Committee are aware of the many advantages offered by the country for the establishment and growth of chemical industries in India, but the development of chemical industries particularly in the case of acids and heavy chemicals made therefrom, require special consideration. It is true that the raw materials required for the manufacture of acids are available in the country or from abroad without any serious difficulties. The production of acids therefrom does not present any special technical difficulties, but my Committee would like to point out that any advantages which the country may offer for the production of acids **per se** are counteracted by the fact that the acids themselves have proportionately a lesser demand than the heavy chemicals made from them. The Indian manufacturers are unable to meet the foreign competition on account of their inability to produce the principal acids in sufficiently large quantities to lower their cost of production and also consequently lower the cost of salts and heavy chemicals made from them.

My Committee, in this connection, would like to lay stress on the fact that many of the heavy chemicals manufactured by the Indian chemical companies are produced at considerably higher costs than similar chemical operations in European and American factories and that when chemicals result as by-products, their value is neceessarily much lower than their cost if made by the use of expensive raw materials such as acids, ores and metals. By-products of industries are best worked up if there is a well-established and developed chemical industry in the country but for lack of co-ordinated developed chemical industries in India and also for lack of large metallurgical industries, India is not able to produce heavy chemicals at competitve rates. When the question of making a comparatively small quantity of acids for the manufacture of heavy chemicals arises, our manufacturers are faced with a very difficult situation and it is then and not otherwise that they stand in special need of protection.

The necessity of making heavy chemicals in the country to meet the country's demands for them in other industries must be the prevailing reason for the grant of protection to her chemical industries. India imports large quantities of chemicals as such and also finished articles in which chemicals form an important part in their manufacture. Almost every article of commerce cannot be placed in its finished marketable condition without the use of chemicals, and as acids are the starting substances in the manufacture of all other chemicals, the manufactures of acids has been rightly recognised as the key industry.

The need of protection further arises in India from the fact that the manufacture of explosive which require the manufacture of large quantities of acids, is reserved by the Government as a State industry. If public chemical companies of recognised status were allowed to manufacture all chemicals required for national defence such as explosives, disinfectants, fuels, pharmaceuticals, drugs and fertilisers, etc., a larger production of chemicals would have been possible and economies in their production would have helped the country to stand in competition with foreign imported articles without the need of protection. A revision in the policy of the Government as regards the manufacture of explosives and other substances would, in the opinion of my Committee, partially help the manufacture of many of the chemicals required in India.

Protection may also take the form of prohibition or heavy duties on raw materials, ores and materials necessary for the development of our Home industries, finding their way out of the country. If there is an embargo on nitre, bones, chrome ores, manganese ores and other similar products, a new field for the development of acid industries would be opened out and the manufacture of acids in large quantities in such case would be for the production of heavy chemicals, manures and other substances required in this county and for abroad. Such embargo would materially help the country in the development of its chemical industries without the need of any special protection. It will also help in developing agriculture on which India's prosperity mainly

depends, as it is a well-known fact that the land is being impoverished through want of proper manures.

My Committee, therefore, without going into technical and manufacturing questions of the costs of manufacture, would strongly recommend the grant of protection to the manufacture of acids in the form in which the Chemical Companies have asked for *viz*: by the imposition of a protective tariff on imported heavy chemicals and the grant from the revenue thus realised, of bounties to the manufacture of acids. Protection in this form, my Committee feel, would help the expansion of our already existing chemical industries and the establishment of other chemical works most necessary for the manufacture of various articles of necessity required in the country, such as Match Industry, chemicals for which can be made easily in large quantities.

While we recognise the necessity of giving full protection to the manufacture of acids and heavy chemicals therefrom, my Committee would also, press the attention of the Tariff Board to the case of certain other industries for which raw materials are found in abundance in this country and which can be worked into finished marketable products without the assistance of heavy acids.

As an instance, my Committee would like to point out the case of magnesium chloride, which is one of the most important chemicals required for sizing in textile industries. It seems that magnesium chloride is recovered as a by-product in German chemical works and the cost of manufacture, it being a bye-product, in Germany, is so low that it is effectively able to stand in competition with Indian manufactured articles. In addition to this, two new factors have operated very seriously to determine the continuance and existence of this industry in India. German manufacturers have reduced their prices to such a low figure that fair competition has become an impossibility. It is a clear case of dumping. Besides this foreign attempt to kill our nascent industry the removal of import duty, this chemical being classed among stores for textile industry, has seriously threatened the continuance of its manufacture in this country. In this connection, my Committee would draw your attention to the fact that the cost of

magnesium chloride to the total cost of finished piecegoods is so low that any protection granted to magnesium chloride would not, in any way, materially affect the cost of production of piecegoods in India.

My Committee, therefore would emphasise the necessity of giving due and reasonable protection in such cases where large European and American combinations by reducing their prices to a lower figure than our cost of manufacture, force our home-made articles to be sold at ruinous prices. Protection in such cases should be regardless of the magnitude of an industry and regardless of its immediate purposes.

The most essential factor in the growth and development of chemical industries in this country is a co-ordination of all chemical industries. For in innumerable ways the protection of one chemical in smaller or larger quanties help the establishment, development and encouragement of other industries, arts and crafts in this country. The use of chemicals is absolutely necessary in almost all the industries and it may safely be said that on the development of chemical industry, depends the prosperity of the country; it has been time after time pointed out in Western countries that the measure of a country's prosperity is the measure of the development of its chemical industries. For this reason, my Committee are strongly of opinion that even at the cost of a sacrifice, if sacrifice is necessary, full protection should be granted to all chemical industries.

As a broad general principle, my Committee are against granting of protection to such chemical industries which can be established and developed in India with the help of raw materials available in abundance in India and in the development of which there is no dumping or running down of prices by the foreign manufacturers, but my Committee would point out that in certain cases even where abundant raw materials are available, new industries will require temporary protection if the case is made out by them that the training of men and general trained labour required for their particular industry, are not easily available in India.

A new industry until it has built up its reserves has also to consider the higher cost of imported machinery and plant. These factors must also be taken into consideration in determining whether any particular chemical industry stands in need of protection during its early career.

Another very important factor that operates against the development of Indian chemical industries is lack of transport facilities and high railway freight rates on chemicals, For the furtherance of chemical industry, special low rates must be given for the haulage of chemicals from the factories to the principal markets, particularly in the case of acids, explosives and fertilisers. My Committee would like to point out that in countries which own their own mercantile marine, the shipping companies have to carry the manfuactures of the country at special rates fixed by the Chambers of Commerce or by Governments. If such facilities are granted and chemicals are carried by coastal steamships companies at lower rates, it would be possible for our chemical companies established at ports to sell their product and stand effectively in competion in the market of entry of foreign chemicals.

Side by side with the acid industry stand the alkali industry which is also one of the most important chemical industry. It is the key industry on which depend many other industries such as textiles, glass, soap and paper. My Committee are not in a position to make any definite recommendations as regards the alkali industry, as they feel that as yet there is no case made out for its protection, but if unnatural competition is created and foreign alkalies are dumped into India, as in the case of magnesium chloride, at extremely low rates with only one view *i.e.* to make it impossible for the Indian industry to survive, then in that case protection should be granted to the alkali industry.

My Committee, in this connection, further point out that the case of alkali is entirely different from the acid industry. All raw materials required for the manufacture of alkali are available in India and the question of special transport facilities does not arise.

My Committee cannot help bringing to the attention of the Tariff Board the fact that the effect of the change in the Indian

Currency Act made last year fixing the value of the Rupee at 1sh. 6d. has been as in the case of other industries disastrous also with regard to Chemical Industries. An indirect protection of 12.1/2% has been given to foreign imports at the expense of indigenous industries and my Committee urge very strongly that the Tariff Board will kindly make a close inquiry into this question of the effect of exchange on Chemical Industries.

In conclusion, my Committee would like to draw the attention of the Tariff Board to the second part of the resolution of the Legislative Assembly passed on 16th February 1923 in which opinions are invited as to the extent, if any, in respect of which articles or class or description of articles, protection should be afforded.

My Committee, in this connection, would urge the Tariff Board not to restrict the protection to the chemicals mentioned in Resolution No. 199-T of the 16th July 1928, but to give the word chemicals, a wider meaning and include all chemical substances required in various industries. A broad classification of chemical industries would be necessary, more or less on the same lines as that adopted by the Society of Chemical Industries of Great Britain. If the wider classification and meaning of chemical industries is accepted, then, many other articles required in sizing, in the manufacture of paints and varnishes, the manufacture of soaps in the manufacture of candles, in the manufacture of foodstuffs, in the manufacture of inks, etc., would also be incorporated in the generic classification of chemical industries.

In conclusion, my Committee point out that the list of heavy and fine chemicals including pharmaceuticals, drugs, intermediates, dyestuffs and other materials, is so large, and as serious efforts are being made all over the country to gradually make a large and larger number of chemicals in India, the purpose of the enquiry will not be served if the enquiry is limited to a small number or chemicals only. Cases are bound to arise from time to time in the immediate future when protection for individual chemicals will be asked for. In this respect my Committee want to point out the essential difference between the chemical industry and other

industries which have applied for protection. In their cases, the enquiry instituted at one time will hold good for a few years, but n the case of chemicals, the field is so wide that unless a Standing Committe of the Tariff Board is appointed to go into the merits of cases which may arise as regards various new chemicals not included in the present inquiry, the Tariff Board will be called upon incessantly to enquire into individual cases of chemicals.

No. 125-T.

From the Tariff Board, to Chamber.

Ootacamund, dated the 20th September. 1928.

I am directed to acknowledge receipt of your letter No. 2030 dated the 11th September 1928 setting forth the views of your Chamber on the subject of protection to Indian Chemical Industry.

No. 172-T.

From the Tariff Board, to Chamber.

Ootacamund, dated 8th October, 1928.

I am directed to say that the Tariff Board will be in Bombay during November next, and is anxious to have an opportunity of examining a representative of your Chamber in connection with its present enquiry into the application of certain manufactures of heavy chemicals for protection referred to the Board under the Government of India Commerce Department Resolution No. 199-T (8) of 16th July, 1928.

I am to enquire whether it would be convenient for you to depute a representative to tender oral evidence before the Board in Bombay at a date to be fixed later in consultation with you about the middle of November.

No. 2351, dated 17th October 1928.

From Chamber to the Tariff Board.

With reference to your letter of the 8th October 1928, No. 172-T, I am directed to inform you that my Committee have nominated Mr. Kapilram H. Vakil and Dr. M. Venkatrao as the Chamber's representatives for the purpose of oral evidence before your Board regarding Chemical Industry Enquiry.

I am further to request you to be good enough to let me know at your early convenience the date fixed by the Board for this purpose, as also to supply me with copies of your Questionnaire as we have not yet received the same.

A MISUNDERSTANDING CLEARED.

With reference to the remarks made by the President (Sir Padamji Ginwalla) of the Indian Tariff Board on Friday the 23rd November 1928, when the representatives of the Indian Merchants' Chamber were examined regarding the question of chemical industries, Mr. L. R. Tairsee, President of the Chamber appeared on Tuesday, the 27th November 1928 before the Board and made a statement making the position of the Chamber clear in the matter. It will be remembered that the President, on that occasion, had remarked, among other things, that the Chamber by not deputing its President or Vice-President to give evidence before the Board had treated them rather unfairly.

Mr. TAIRSEE'S STATEMENT

A Misunderstanding Removed.

In the course of his statement. Mr. Tairsee said:

My attention was drawn to some remarks made by you on Friday last when our representatives were examined by you regarding the question of Chemical Industries as reported in the press, and our Secretary conveyed your message to me. I fear that there is some misunderstanding which I wish to be removed. There cannot possibly be any intention of the slightest discourtesy on the part of the Chamber to the Tariff Board for whom they have

the highest respect. We nominated Mr. Kapilram Vakil and Dr. M. Venkatrao as our representatives as the question of Chemical industries was a highly technical one. Mr. Kapilram Vakil, besides being a research chemist of reputation, is also a merchant of high standing and a member of our Committee continuously for more than four years, and our Committee thought that when they nominated these gentlemen they were selecting two representatives who were in the best position to express their views on the question. I myself as President and ex-officio member of all the Sub-Committees and delegations under the rules of the Chamber would have willingly accompanied them if I thought that any questions of policy were to be asked at that sitting. I now wish to inquire as to when it will be convenient to you to examine all three of us regarding any further question that you may have to ask of us."

President's Reply.

The President then said:—

The Board very much appreciate the prompt manner in which you have appeared before the Board personally at some inconvenience to your self to give us an explanation of what took place last week in connection with the evidence of the Chamber, and we are very glad to be told that there was no discourtsey intended towards the Board. Indeed, we never thought that there could be any question of discourtsey. The reason why we were anxious to examine the official spokesman of the Chamber for the year is that we attach very great importance to the opinion of the Chamber as being the premier Indian Chamber and we felt that our proceedings would be somewhat incomplete if we had not had the advantage of its opinion expressed through its Chairman. We had not the least doubt that Mr. Kapilram Vakil and Dr. Venkatrao who appeared before us would be able to represent the Chamber's views generally and we were prepared to treat them as your representatives on that day except for the single reason that we thought that it would be more appropriate if you yourself came and gave us the benefit of your opinion. Mr. Vakil gave us very valuable evidence on that day as an expert, and I am sure

that we learnt much and acquired a great deal of knowledge from his evidence which otherwise would not have been available to us.

We are very much indebted to the Chamber for having given us the benefit of Mr. Kapilram Vakil's services as an expert witness and we are indebted to Mr. Vakil himself for his valuable evidence. We welcome your suggestion to appear before the Board and to state the views of the Chamber on the general questions of policy which have been raised in your representation. As it happens, day after to-morrow we were going to examine Brunner Monds, but they have asked for a postponement. Therefore that day is available. If it suits your convenience, we can examine you at 11 o'clock on Thursday morning."

APPENDIX 37

EFFECT OF VIRAMGAM CORDON ON THE TRADE OF BOMBAY

No. 410/28 Bombay Castle, 17th March 1928.

From the Government of Bombay, Revenue Department, to Chamber.

I am directed by the Governor in Council to inform you that the Indian States Committee is visiting Bombay on the 24th instant for an informal discussion with the Government of Bombay. It is possible that the effect of the imposition of the Viramgam cordon upon the trade of Bombay will be one subject for discussion. Any information, whether supported by figures or not, which your Chamber could supply on this subject would be welcomed. I am to request that any such information may be sent not later than Thursday the 22nd instant.

No. 780, dated 22nd March 1928.

From Chamber to the Government of Bombay, Revenue Department, Bombay.

I am ditected by my Committee to acknowledge receipt of your letter No. 410/28, dated the 17th March 1928, regarding the above and to state, in reply, that without going into other aspects of the question, the re-establishment of this cordon has, in their opinion, checked the diversion of the trade of Bombay to other Ports and has to that extent helped the trade of Bombay.

APPENDIX 38

LEVY OF CUSTOMS DUTY ON BRITISH INDIAN GOODS GOING FROM KATHIAWAR *VIA* VIRAMGAM CORDON TO KARACHI.

No. 3001, dated 9th December 1927.

From Chamber, to the Central Board of Revenue, DELHI.

Subject:—Application of Section 25 of the Sea Customs Act to goods of British Indian production re-exported to any Port in British India from Kathiawar.

It has been brought to the notice of the Committee of this Chamber that the duty is being levied on timber, planks, cocoanut oil and such other commodities which are undoubtedly the products of British India, when re-exported from Kathiawar Ports to Karachi unless exemption is and could be claimed under the proviso to Section 25 of the Sea Customs Act.

Before my Committee may address the Government on the subject, they will be much obliged if the Government will be pleased to inform them whether the abovementioned information is correct or not, and send such other facts in connection with the same as may be in possession of the Government and as may be likely to throw light on the question.

Hoping to receive an early reply.

C. No. 1285-Cus/27.

From the Central Board of Revenue, to Chamber

New Delhi, the 12th December 1927.

With reference to the letter quoted above, I am directed to say that the Board has already been addressed on the subject by the Buyers and Shippers Chamber, Karachi. The Board has asked that Chamber to furnish it, with some concrete illustrations in order to enable it to judge exactly in what way relief should be given. The result will be communicated to you in due course.

No. 651, dated 9th March 1928.

From Chamber to the Secretary, Buyers and Shippers Chamber, KARACHI.

With reference to the correspondence ending with your letter No. 301, dated the 10th January 1928 re: above, my Committee understand that the necessary change has been made in the Sea Customs Act, 1878 re: above (vide Finance Dept. Central Revenues) Notification No. 9, dated New Delhi, 18th February 1928). They therefore hope that nothing remains to be done therein now.

FINANCE DEPARTMENT (CENTRAL REVENUES).

NOTIFICATION.

CUSTOMS.

New Delhi, the 18th February 1928.

No. 9.—In exercise of the powers conferred by section 23 of the Sea Customs Act, 1878 (VIII of 1878), the Governor General in Council is pleased to direct that the following further amendments shall be made in this Department Notification No. 67-Customs dated the 16th July 1927, namely:—

(i) After the words "to have been produced" the words "or manufactured" shall be inserted;

(ii) After the words "British India" the following shall be added, namely:—

"or (c) to have been produced or manufactured in any place in India outside Kathiawar and imported into Kathiawar by sea."

A. TOTTENHAM,

Joint Secy. to the Govt. of India.

APPENDIX 39.

PROPOSED SCHEDULE OF THE TERMINAL TAX FOR THE BOMBAY MUNICIPALITY.

(Vide page 338, Chamber's Annual Report for 1927).

No. 11714 Bombay, 21st February 1928.

From the Bombay Municipality, to Chamber

I have the honour by desire of the Sub-Committee of the Revenue and General Purposes Committee to state that the Corporation have under their Resolution No. 8927, dated the 28th November 1927, approved of the principle of the imposition of a Terminal Tax in substitution of the Town Duties, it being understood that the Schedule for the present should include those items which are at present liable to Town Duties with such slight alterations as are strictly necessary and that the rates should be so fixed as to produce approximately the same revenue for the Municipality as is realized from the existing Town Duties and have requested the Revenue and General Purposes Committee to prepare and submit a schedule to the Corporation on these lines. A Schedule prepared accordingly is under the consideration of the Sub-Committee and I am desired by them to forward herewith a copy of the Schedule and to request that you will be so good as to furnish the Sub-Committee with the views of your Chamber thereon at an early date.

SCHEDULE H. (copy).

Articles liable to payment of Town Duties.

	Articles.	Maximum Rates of refundable Town Duties leviable.	Maximum rates of non-refundable Town Duties leviable.
1.	Grain of all sorts ..	0-6-0 per Candy.	0-3-3 per Candy.
2.	Flour of all sorts ..	75 per cent. of the rate at the time being levied on the grain from which the flour is prepared.	
3.	Wines and Spirits ..	0-4-0 per Imperial Gallon.	0-3-9 per Imperial Gallon.
4.	Beer ..	0-0-6 per Imperial Gallon.	0-0-3 per Imperial Gallon.
5.	Sugar, Mollasses & Goor.	0-8-0 per Cwt. ..	0-2-3 per Cwt.
6.	Ghee ..	0-10-0 per Bombay Maund.	0-6-0 per Bombay Maund.
7.	Ghee substitutes (all substitutes which resemble ghee and which are capable of use as substitutes for ghee, but are not exclusively derived from milk).	....	0-10-0 per Bombay Maund.
8.	Firewood	0-2-0 per Candy ..	0-2-0 per Candy.
9.	Timber, excluding Railway Sleepers.	2½ per cent. on market value.	2½ per cent. on market value.

From the Bombay Municipality to Chamber.

No. 13948 Bombay, 17th March 1928.

I have the honour to invite reference to my letter No. 11714, dated the 22nd February 1928, forwarding a schedule of rates of the proposed Terminal Tax in substitution of the existing Town Duties and to request that you will be so good as to favour the

Sub-Committee of the Revenue and General Purpose Committee with the opinion of your Chamber in the matter at an early date.

No. 804, dated 23rd March 1928.

From Chamber to the Bombay Municipality, BOMBAY.

I am directed to acknowledge receipt of your letter No. 11714, dated 21st February 1928, together with a copy of a Schedule prepared by the Sub-Committee of the Revenue and General Purposes Committee for the imposition of non-refundable Terminal Tax in substitution of the Town duties. My Committee are glad to note that the Bombay Municipal Corporation have approved of the principal of the imposition of the Terminal Tax. The Schedule under reference is restricted to those items which are at present liable to Town duties. My Committee may be allowed to bring to your attention the fact that two assurances were given by the Municipal Corporation viz. (1) that they would not realise any more income than what they used to get from the Town duties; and (2) that the Terminal Tax would be diffused as much as possible so that no one trade might be unduly burdened. While the municipal Corporation appear to have carried out the first assurance, my Committee regret that the second assurance, is not carried out. The Schedule in question gives a list only of a few articles and my Committee are afraid that the duties proposed, for instance, with regard to Ghee and Sugar, will press most heavily on these two trades and may even go to affect adversely these trades of Bombay. My Committee suggest, therefore, that the Schedule should consist of many more articles in order that the incidence of taxation may be diffused and not be restricted to a few articles only.

No. 1241 Bombay, 7th May 1928

From the Bombay Municipality, to Chamber.

I have the honour to refer to the correspondence ending with your letter, dated the 23rd March 1928, regarding the question of

the substitution of a non-refundable Terminal Tax for the existing refundable town duties and to invite your attention to the suggestion made by you therein that the schedule should consist of many more articles in order that the incidence of taxation may be diffused and not be restricted to a few articles only; I am to request by desire of the Sub-Committee who are considering the question that your Chamber will be so good as to suggest the names of articles which they think should be included in the schedule now prepared with brief reasons for the inclusion of each.

An early reply will oblige.

No. 1723, dated 31st July 1928.

From Chamber to the Bombay Municipality, Bombay.

With reference to the correspondence ending with this Office letter No. 1660, dated the 20th July 1928, on the above subject, I am directed to submit the views of my Committee as under:—

My Committee suggest that the following list of articles be included in the Schedule to be prepared for the non-refundable Terminal Tax:—

(1) Coal & Coke
(2) Hides & Skin
(3) Gunnies
(4) Oils (other than mineral oils)
(5) Kerosine
(6) Petrol
(7) Oil-seeds
(8) Iron & Steel (wrought)
(9) Manganese Ore
(10) Tea
(11) Coffee
(12) Cocoa
(13) Sugar, molasses and gur
(14) Timber
(15) Ghee
(16) Ghee-substitutes

(17) Wines & Spirits
(18) Beer
(19) Nuts & Dry fruits
(20) Spices
(21) Grain
(22) Flour, and
(23) Fire-wood.

They suggest that the Terminal Tax should be diffused over thes articles in such a way that it might not work out generally more than 1/4% on the invoice price of each article. If, however, the Municipality may not be able to raise as much net revenue a it gets at present from the refundable Town duty, by levying the Terminal Tax as suggested above, the Municipality, in some cases, may increase the tax, but not in any case exceeding 1/2%. My Committee further emphasise that the Municipality should raise only as much revenue as it gets at present from the refundable Town duty after deducting the refunds. It is hoped that when the whole question is finally considered, representatives of this Chamber would be invited to be present.

APPENDIX 40.

PROPOSED LEVY OF FIRE-TAX ON INSURANCE COMPANIES WORKING IN BOMBAY BY THE BOMBAY MUNICIPALITY.

From the Bombay Municipality, to Chamber.

No. 1112 Bombay, 2nd May 1928.

I have the honour to state that a proposal to amend the Municipal Act so as to empower the Corporation to levy a special tax not exceeding 1/2% on the gross premia collected by all the Fire Insurance Companies doing business in Bombay, the Fire Tax levied at present on properties in the City being abolished, is under the consideration of a Committee of the Corporation. The Committee

have appointed a Sub-Committee to consider and report on the question. I am desired by the Sub-Committee to request you to be so good as to favour them with the views of your Chamber in the matter at an early date.

2. I am further to request you to kindly favour the Sub-Committee with the names of the Fire Insurance Companies in the City, the gross premia collected by them and the annual profits made by them during the course of the last 3 years, if the figures are available, as these Statistics are likely to help the Sub-Committee in their deliberations on the subject.

No. 1331, dated 5th June 1928.

From Chamber, to the Bombay Municipality, BOMBAY.

With reference to your letter No. 1683, dated 19th May 1928, I am directed by my Committee to address you as follows:—

In the first place my Committee note that no reasons have been advanced as to why it is proposed to make a radical change in respect of the fire tax, which is in operation at present. If the reasons had been given, my Committee would have been in a position to fully appreciate the significance of the proposal which is under the consideration of the Bombay Corporation. If, however, the idea underlying the proposal is to make the fire insurance companies pay for the services rendered to them by the Bombay Municipality by maintaining an efficient Fire Brigade, my Committee think that the maintenance of such a brigade makes it possible for the fire insurance companies to fix their tariffs at reasonable rates for the insurance of properties, and the benefit, therefore, may be said to accrue to the owners of properties. It may be mentioned in this connection that during the recent big fire at Karachi, the fire-brigade equipment, it was reported, was found to be inadequate to cope with the great conflagration; and the fire insurance companies there have accordingly increased their rates from four annas per cent. to twelve annas per cent. for fire insurances. However that may be, the point that my Committee

would like to emphasise is that the upkeep of an efficient fire brigade does not merely benefit the fire insurance companies, but is distinctly beneficial to the general public in respect of insurance charges.

The next important point of objection is that it does not appear to be equitable that a tax should be levied on gross premia earned by the fire insurance companies irrespective of the question of profits. Such a levy will constitute an undue burden on the fire insurance companies. In particular, it will adversely affect Indian Insurance Companies, which have a strong claim for support on public bodies as well as individuals, and whose position is not at all as strong as that of the older established foreign companies. For these reasons, my Committee are strongly opposed to the proposal under reference.

With regard to the information required, my Committee regret that they are not in a position to collect and furnish the same. The Fire Insurance Companies' Association may be approached in this connection.

APPENDIX 41.

PROPOSAL TO INCREASE THE WHEEL-TAX BY THE BOMBAY MUNICIPALITY.

No. 2664 dated 26th November 1928.

From Chamber to the Government of Bombay, Home Department, Bombay.

Subject:—Proposal of the Bombay Municipality to increase the Wheel-tax.

I am directed by the Committee of this Chamber to address you on the above question as follows:—

The Government of Bombay are no doubt aware that the Indian Road Development Committee's Report, which contains

important recommendations regarding the question of road development and motor car taxation, etc., has just been published. My Committee are of opinion that the consideration of the proposal forwarded by the Bombay Municipality to Government to give the Municipality power to increase wheel-tax for necessary sanction should be postponed till final decision of the Government of India on the Report of the Road Development Committee are made known to the public.

No. 99/A.'

Bombay Castle, 7th January 1929.

From the Government of Bombay, General Department, to Chamber.

With reference to your letter No. 2664, dated the 26th/27th November 1928, protesting against the proposal of the Bombay Municipal Corporation to increase the Wheel Tax, I am directed to state that Government propose to defer consideration of the proposal till the Government of India pass orders on the recommendations of the Road Development Committee.

APPENDIX 42.

MUNICIPAL TAX ON GINNING AND PRESSING OF COTTON BY BURHANPUR TAPTI MILL, LTD.

No. 1556 dated 5th July 1928.

From Chamber to the Government of Central Provinces & Berar, Local Self-Government (Transferred) Department, Nagpur.

Recently the attention of the Committee of this Chamber has been drawn by one of their members, the Agents of the Burhanpur Tapti Mill, Ltd., to the insistence of the Burhanpur Municipality on levying tax on cotton ginned and pressed in the Burhanpur Mill. The contention of the Agents of the Mill was that they

were carrying on the ginning and pressing processes purely for their Mill and not for trading purposes. The matter was referred to the Judical Commissioner at Nagpur, who, after hearing both the parties decided the case in favour of the Mill, and found that the Burhanpur Municipality were wrong in levying such taxes on Mills which were not ginning and pressing cotton for the sake of trade. My Committee now understand that the Burhanpur Municipality has approached the Central Provinces Government with a view to get the Municipal Act so amended as to enable them to tax the Burhanpur Mill and other such concerns. My Committee appreciate the contentions advanced by the Agents of the Burhanpur Mill with regard to the tax sought to be imposed on them and they hope the Central Provinces Government will give due weight to the considerations mentioned before they sanction the amendments in the Municipal Act desired by the Burhanpur Municipality.

APPENDIX. 43.

HEAVY STAMP DUTY ON TRANSFERS OF SHARES, Etc.

No. 956, dated 18th April 1928.

From Chamber to the Government of Bombay Finance Department, Bombay.

Subject; Heavy Stamp Duty on transfer of shares and its effect on industries.

I am directed by the Committee of this Chamber to represent to you their views on the question:

The heavy scale of stamp duty on transfers of shares in an incorporated company or other body corporate is and constitutes a hindrance in the way of investors and thereby retards the growth of industries of the country. The investing public finds the transfer duties exorbitant, with the result that it affects the

fluidity and saleability of such scrip and ultimately reacts adversely on the finances of various industries. At a time when there is a growing necessity for an extensive flow of capital to help the indigenous industries any obstacle, however small it may appear to be, in its way should be put down. The heavy stamp duties on transfers of shares, etc., appear to my Committee to be one of the hardships under which our investors labour. I am, therefore, directed to request the Government to be pleased to reduce the heavy scale of stamp duties on transfer of shares, debentures, etc., and thus accord a much needed relief to the industries as well as the investing public.

No. 6051-A. Bombay Castle, 7th May 1928.

From the Government of Bombay, Finance Department, to Chamber

With reference to your letter No. 956, dated 18th April 1928 on the subject mentioned above, I am directed by the Governor in Council to state that the Taxation Enquiry Committee have made a similar recommendation at the end of paragraph 305 of their Report. It will, however, be noticed that the Committee's recommendation is subject to the condition that arrangements can be made to control the use of blank transfers. There is, at present, on control on transfers and the question of making them bad delivery presents considerable difficulties, as uniform action all over India is obviously required to make the control effective, and for this, legislation will probably be necessary.

I am to add that this Government has sent a communication to the Government of India expressing agreement with the recommendation made by the Taxation Enquiry Committee and that a reply thereto is awaited. A copy of your letter is being sent to the Government of India.

No. 1329, dated 5th June 1928.

From Chamber to the Government of Bombay, Finance Department, Bombay.

With reference to your letter No. 6051-A, dated 7th May 1928. my Committee note that Government are not inclined to consider

the question of reduction of stamp duty on transfers of shares until the question of control of blank transfers has been solved. My Committee are of opinion that the reduction of stamp duty on transfers of shares should not be made conditional on the enactment of any measures dealing with the control of blank transfers. It may be argued, however, that the reduction of the duty on transfers of shares will operate to a certain extent to check the practice of keeping blank transfers, and thus make up in a measure for the loss of revenue through the reduction of the duty. Even if it were not so, my Committee maintain that the reasons for urging a reduction in the Stamp duty, which have been fully explained in this office letter No. 956, dated the 18th April, are not affected by any questions relating to blank transfers.

I am, therefore, directed by my Committee to request Government to be pleased to consider this question on its own merits, and to accord a much-needed relief to the industries of the country as well as to the investing public by substantially reducing the stamp duty on transfers of shares.

No. 6051-A 1458 Bombay Castle, 6th June 1928.

From The Government of Bombay Finance Department to Chamber.

I am directed to acknowledge the recipt of your letter No. 1329, dated 5th June 1928 on the subject noted above and to say that it will be placed before Government.

No. 6051-A. Bombay Castle, 30th July 1928.

From the Government of Bombay, Finance Department to Chamber.

I am directed by the Governor in Council to acknowledge your letter No. 1329 of the 5th June last in which you state that your Committee are of the opinion that the reduction of stamp duty on transfers of shares should not be made conditional on the enactment of any measures dealing with the control of blank

transfers and in which you request that the question of the reduction may be separately considered, and in reply to say that, as yet, no reply has been received from the Government of India to the communication referred to in this Government's letter No. 6051-A, dated the 7th May 1928, addressed to your Chamber. In that communication this Government expressed agreement with the recommendation of the Taxation Enquiry Committee which was made subject to the condition that arrangements can be made to control the use of blank transfers, and consequently do not, in the absence of an answer from the Government of India, consider it advisable to take any further steps in this matter until a reply is received.

No. 1817, dated 9th August 1928.

From Chamber to the Government of India, Finance Department, SIMLA.

The Committee of this Chamber, as early in April 1928, addressed a representation to the Government of Bombay, Finance Department, urging for a reduction in the heavy Stamp duty on transfer of shares. In reply they were informed that the Government of Bombay had sent a communication to the Government of India and that a reply thereto was awaited. It appears that no reply has yet been received by the Government of Bombay on the question. I am, therefore, directed by my Committee to request Government to be pleased to send their reply to the Government on the same as soon as possible.

C. No. 103-Stamps/26. Simla, the 18th August 1928.

From the Government of India, Finance Department, (Central Revenues), to Chamber.

Transfers of shares—Stamp duty—Reduction in.

Your letter No. 1817, dated 9th August 1928.

In reply to the letter quoted above, I am directed to say that the question of reducing duty on transfers of shares will be

considered when the Government of India have received the opinions of Local Government (which have been called for) upon paragraph 303 of the Report of the Taxation Enquiry Committee, which includes a recommendation on the subject.

APPENDIX 44.

COURT FEES AND GENERAL STAMPS:—LEAKAGE IN THE REVENUE DERIVED FROM.

No. 5068-A. Bombay Castle, 29th May 1928.

From The Government of Bombay, Finance Department to Chamber.

Subject:—Court fees and general stamps: Leakage in the revenue derived from.

I am directed to forward herewith a copy of extract paragraph 4 of letter No. 2620, dated 31st May 1927, from the Superintendent of Stamps, Bombay, and to request you kindly to favour Government at an early date with the opinion of your Chamber on the proposal to provide for the periodical inspection by a special staff appointed for the purpose under the Superintendent of Stamps, of the records of joint stock and insurance companies and banks with a view to seeing whether documents such as transfer deeds of shares, insurance policies, foreign bills, etc., are properly stamped and the stamps cancelled.

Extract paragraph 4 of letter No. 2620, dated 31st May 1927, from the Superintendent of Stamps, Bombay.

"Leakage by reuse of stamps is possible in the case of all documents which can be stamped with adhesive labels such as Insurance Policies, transfers of shares, Foreign Bills of Exchange, etc. These documents seldom, if ever, come before any public officer and whether they are, or are not, properly stamped cannot be known. Instances have however come to notice in which adhesive stamps were abstracted and reused and prosecutions

successfully instituted. Documents such as Insurance Policies Foreign Bills, Shares Transfer, Agreement and Brokers' Notes are executed mostly in Presidency Towns and very rarely if at all in the districts. To guard against loss of revenue consequent on non-stamping or reuse of used adhesive stamps, it would b7 necessary to set up a check such as periodical inspection by a staff under the Superintendent of Stamps appointed for the purpose, of offices of joint Stock Insurance Companies and Banks with a view to seeing whether transfer deeds of shares, Insurance Policies, Foreign Bills accepted by Banks and agreements and Brokersr Notes executed by Brokers are properly stamped and the stamp cancelled in accordance with the provision of Section 12 of the Indian StampAct".

No. 1413, dated 18th June 1928.

From Chamber, to the Government of Bombay, Finance Department, BOMBAY.

I am directed to submit as under the views of my Committee with reference to the subject matter dealt with in your letter of the 28th May 1928, No. 5068-A.

My Committee are surprised at the proposal conveyed in you, letter that the records of joint stock companies and banks should be periodically inspected with a view to seeing whether documents such as transfer deeds of shares, insurance policies, foreign bills, etc., are properly stamped and the stamps cancelled, a special staff being appointed for the purpose. The business community are, as matters stand at present, sufficiently harrassed by the attentions of the different Government departments and there does not appear to be any reason why they should be subjected to a further inquisition, such as is suggested. If Government find that malpractices prevail to any considerable extent, there are surely penalties provided, not only making the documents invalid but also exposing the parties to severe punishments under the Indian Penal Code. No sufficient case has been made out, however, to show that the evils complained of prevail to any appreciable extent

and to justify any action on the lines proposed by Government in your letter under reference. The Superintendent of Stamps in his Note, dated the 31st May 1928 observes that the documents which can be stamped with adhesive labels such as insurance policies transfer of shares, foreign bills of exchange, etc., hardly ever come before any "public officers" and that, therefore, it cannot be known whether they are or are not properly stamped. This, my Committee are constrained to observe, is an unmerited aspersion on Managing Agents, Directors, Managers and other high officials connected with such concerns. All the documents mentioned have to be seen or inspected sometimes or other by these authorities, and there is no justification for the suggestion that there may be leakage just because the documents are not inspected and examained by any public officer. My Committee think that the checks which exist are sufficient for all purposes and they are, therefore, strongly opposed to any such action being taken as is proposed in your letter.

APPENDIX 45.

PROPOSED AMENDMENT IN RULE 19 OF THE INDIAN INCOME TAX RULES, 1922.

CENTRAL BOARD OF REVENUE.

NOTIFICATION.

INCOME-TAX.

Simla the 7th July, 1927.

No. 26.—The following draft of certain further amendments to the Indian Income-tax Rules, 1922, which the Central Board of Revenue proposes to make in exercise of the powers conferred by sub-section (1) of section 59 of the Indian Income-tax Act, 1922 (XI of 1922) is published as required by sub-section (4) of the said section, for the information of all persons likely to be affected thereby, and notice is hereby given that the said be draft will

taken into consideration on or after the 20th August 1928. Any objection or suggestion which may be received in respect of the draft before the date specified will be considered by the said Board.

Draft amendments.

In Rule 19 of the said Rules—

(1) In the statement of total income, against item 7' the entries "net (see note 7)" and "....." shall be inserted in columns 2 and 3 respectively.

(2) In the form, etc., of declaration appended to the said statement for the words "have no other sources of income" the word "had during the year on other sources of income" shall be substituted;

(3) For note 7 of the notes appended to the said statement the following note shall be substituted, namely.

Note 7.—Income-tax chargeable on the profits of compaies, is paid by the companies, so that the dividends received by shareholders represent the net amount remaining ofter any income-tax due by the company has been paid. This amunt should be entered in column 2 of the statement. The proportionate tex will be added in the Income-tax office.

If the rate of tax applicable to your total income is less than the rate at which tax hes been paid upon your dividends, you may by attaching the company's certificate received with the dividends, have the excess collected on your dividends from the company set against the tax payable by you on your other income instead of having to apply separately for a refund

D. GLADDING,

Offg. Secretary, Central Board of Revenue.

No. 1866 dated 15th August 1928.

From Chamber to the Central Board of Revenue, SIMLA.

Subject:—Proposed amendment in rule 19 of the Indian Income-tax Rules, 1922.

With reference to your Notification No. 26, dated the 7th July 1928, I am directed to inform you that my Committee approve of the proposed amendment in rule 19 of the Indian Income-tax Rules, 1922.

APPENDIX 46.

PROPOSED AMENDMEMT TO INCOME-TAX RULES 1922 (RULES 36 & 36-A.)

CENTRAL BOARD OF REVENUE.

NOTIFICATION.

INCOME-TAX.

Simla, the 16th June, 1928.

No. 23.—The following draft of a further amendment to the Indian Income-tax Rules, 1922, which the Central Board of Revenue proposes to make in exercise of the powers conferred by sub-section (1) of section 59 of the Indian Income-tax Act 1922 (XI of 1922), is published, as required by sub-section (4) of the said section, for the information of all persons likely to be affected thereby, and notice is hereby given that the said draft will be taken into consideration on or after the 1st August 1928. Any objection or suggestion which may be received in respect of the draft before the date specified will be considered by the said Board:-

Draft amendment.

For rule 23 of the said Rules, the following rule shall be *substituted* namely:—

36. In the case of a person resident in British India, an application for a refund of income-tax under section 48 of the Act shall be made in the following form:—

Application for refund of income-tax.

I, of

do hereby state that my total income computed in accordance with section 16 of the Indian Income-tax Act, XI of 1922, accruing or arising or received in British India, or deemed under the Act to accrue or arise or to be received in British India, during the year ending on the 31st March 19 '' , amounted to Rs. only.

I therefore pray for a refund of

Rs.	under "Salaries"
Rs.	under "Securities"
Rs.	under "Dividends from companies".
Rs.	under "Share of profits of the registered firm" known as of which I am a partner.

Signature.

I hereby declare that I am resident in British India, and that what is stated in this application is correct.

Dated 19 .

Signature.

After rule 36 of the said Rules, the following new rule shall be *inserted*, namely:—

36-A. In the case of a person not resident in British India, an application for a refund of income-tax under section 48 of the Act shall be made in the following form:—

Application for refund of income-tax.

I, of

residing at in (country)

do hereby state that my total income computed in accordance

with section 48 (4) of the Indian Income tax Act, 1922, amounted to Rs. only as per return enclosed.

I therefore pray for a refund of

Rs. under "Salaries"

Rs. under "Securities"

Rs. under "Dividends from companies"

Rs. under "Share of profits of the registered firm" known as

of which I am a partner.

Signature.

I hereby declare that I am a British subject/subject of State being a State in India. I also declare that what is stated in this application is correct.

Dated 19 .

Signature.

Sworn before me (Name)

Designation Signature at on

Seal.

NOTE.—The above verification shall be sworn before a notary public or other functionary or official authorized to administer oaths.

After rule 37 of the said Rules, the following new rule shall be *inserted*, namely:—

37-A. The application under Rule 36-A shall be accompanied by a return of total income in the following form the details of Part I of which but not the total may be omitted if the person has already submitted a return under section 22 (2) for the same year.

PART I.

Statement of total income accruing or arising or received in British India, or deemed under the Act to accrue or arise or to be received in British India, during the previous year.

1 Sources of income.		2 Amount of profits or gains or income during the previous year. Rs. a. p.	3 Tax already charged on the income. Rs. a. p.
1. Salaries (including wages, annuity pension, gratuity, fees, commission, allowances, perquisites, including rent-free quarters) or profits received in lieu of, or in addition to, salary or wages	[See note (1)]		
2. Interest on securities (including debentures) already taxed	„ (2)		
3. Interest on securities of the Government of India or of local Governments declared to be income-tax free	„ (3)		
4. Property as shown in detail in Schedule A	„ (4)		
5. Business, trade, commerce, manufacture, or dealings in property, shares or securities (details as in note 5)	„ (5)		
6. Profession	„ (6)		
7. Dividends from companies	„ (7)		
8. Interest on mortgages, loans, fixed deposits, current accounts, etc., not being income from business			
9. Ground rent			
10. Any source other than those mentioned above including any income earned in partnership with others	[See note (8)]		
Total			
Deductions claimed on account of contributions to provident fund, etc., or insurance premia (see Note 9)			

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PART II.

Statement of total income, profits and gains in the previous year, arising, accruing or received out of British India, which, if arising, accruingor received in British India, would be included in the computation of total income under section 16.

Name of Country.	Sources of income.	Amount of profits or gains or income during the previous year.
		Rs.
..	1. Salaries .. .. .. [See note (10)]	
	*	
..	2. Securities .. .. .. „ (11)	
	*	
..	3. Property .. .. .. „ (12)	
	*	
..	4. Business .. .. .. „ (13)	
	*	
..	5. Profession .. .. .. „ (14)	
	*	
..	6. Dividends from companies „ (15)	
	*	
..	7. Interest on securities other than in item 2 above mortgages, loans, fixed deposits, current ccounts, etc., not being income from business .. .. .. „ (16)	
	*	
..	8. Ground rent	
	*	
..	9. Any source other than those mentioned above including any income earned in partnership with others „ (17)	
	Total ..	

	Rs.
Total as per Part I	..
Total as per Part II	..
Grand total	..

*The figures for each country should be separately shown.

Verification.

I declare that to the best of my knowledge and belief the information given in the above statement is correct and complete that the amounts of income shown are truly stated and relate to the year ended and that no other income accrued or was received by me/the firm during the said year and that I/the firm have no other sources of income.

Date

Signature.

N. B.—(*a*) *Income accruing to you outside British India received in British India, should be entered in Part I and not in Part II.*

(*b*) *All income from whatever source derived must be entered in the form including income received by you as a partner of a firm.*

NOTE 1.—In column 2 should be shown the gross amount of salary and not the net amount after deductions on account of income-tax, provident funds, etc.

NOTE 2.—"Interest on securities" means the interest on promissory notes or bonds issued by the Government of India or a local Government, or the interest on debentures or other securities for money issued by or on behalf of a local authority or company Where income-tax has been deducted from the interest, or where the interest has been paid income-tax, the amount of tax so deducted or paid should be added to the amount of interest actually received and the gross amount so arrived at should be entered in column 2 of the statement. The term "interest on securities" does not include interest on fixed deposits or mortgages or other loans, which have to be shown under heading 8.

The interest on securities of the Government of India or of local Governments declared to be income-tax free should be shown under head 3. Those which are not declared to be income-tax free should be included under this head.

Entries under this head must be supported by the certificate issued by the person or company paying the interest under section 18 (9) of the Act.

NOTE 3.—(*a*) The income-tax payable on the interest receivable on a security of a local Government issued income-tax free is payable by the local Government and not by the holder of the security.

(*b*) Only the interest on securities of the Government of India or of a local Government declared to be income-tax free should be entered against this head. Such interest will not be charged to income-tax but it must be included in the statement of total income in order to ascertain the rate of income-tax chargeable on other income. *It is chargeable to super-tax.*

(*c*) Particulars of any interest on securities issued by other authorities and stated to be free of income-tax should be entered against head 2, as income-tax on such interest is actually paid by these authorities on behalf of the recipients.

NOTE 4.—The tax is payable under this head in respect of the *bona fide* annual value of any buildings or lands appurtenant thereto, of which you are the owner, other than such portions of such buildings and landsas you may occupy for the purpose of your business.

NOTE 5.—(*a*) Where you keep your accounts on the mercantile accountancy or book profits system, you must file a return in the following form:—

Income, profits or gains from business, trade, commerce

	Rs.	A.
Income, profits or gains as per Profit and Loss Account for the year ended 192		
Add any amount debited in the accounts in respect of—		
1. Reserve for bad debts		
2. Sums carried to reserve for provident or other funds..		
3. Expenditure of the nature of charity or presents ..		
4. Expenditure of the nature of capital		
5. Income-tax or super-tax		
6. Drawings or salary of proprietor or partners ..		
7. Rental value of property owned and occupied ..		
8. Cost of additions, to or alterations, extensions, improvements of, any of the assets of the business ..		
9. Interest on the proprietor's or partner's capital, including interest on reserve or other funds		
10. Losses sustained in former years		
11. Losses recoverable under an insurance or contract of indemnity		
12. Depreciation of any of the assets of the business ..		
13. Private or personal expenses and expenses not incurred solely for the purpose of earning the profits..		
TOTAL ..		
Deduct.—Any profits included in the account already charged to Indian income-tax and the interest on securities of the Government of India or of local Governments declared to be income-tax free		
Balance		

(Signature of the person making the return).

Dated 192 .

Where you do not keep your accounts in such a form, you must file a statement showing how you arrive at the taxable profits, *i.e.*, showing details of the gross receipts and of the expenditure

you propose to set against those receipts. No deductions are permissible on account of—

(*i*) Property owned and occupied by the owner of a business for the purposes of a business;

(*ii*) Additions to, or alterations, extensions, or improvements of, any of the assets of the business;

(*iii*) Interest on the capital of the proprietors of ro partners the business;

(*iv*) Bad debts not actually written off in the account;

(*v*) Losses sustained in previous years;

(*vi*) Reserves of any kind;

(*vii*) Sums paid on account of the income-tax or super-tax or any tax levied by a local authority other than local rates or municipal taxes in respect of the portion of the premises used for the purpose of the businss;

(*viii*) Any expenditure of the nature of charity or a present;

(*ix*) Any expenditure of the nature of capital;

(*x*) Any loss recoverable under an insurance or a contract of indemnity;

(*xi*) Depreciation of any kind other than that specified in the Act;

(*xii*) Drawings or salaries of the proprietors or the partners;

(*xiii*) Private or personal expenses of the assessee;

(*xiv*) Any expenditure of any kind which is not incurred solely for the purpose of earning the profits.

If you have included any such sums in your expenditure in your books, you must exclude them from she expenditure permissible for the purpose of arriving your taxable profits.

NOTE 6.—The income, profits or gains shall be computed after making allowance for any expenditure (not being in the nature of capital expenditure) incurred *solely* for the purpose of such profession or vocation, provided that no allowance is made on account

of any of your personal expenses. Professional fees received by you in any part of India (whether within British India or not) must be included by you in your receipts.

NOTE 7.—Income-tax chargeable on the profits of companies is paid by the companies, so that the dividends which shareholders receive represent the net amount remaining after income-tax has been paid. The amount of income-tax paid upon these dividends, even if the dividends are stated to be income-tax free, should be added to the amount of the dividends actually received, and the gross amount arrived at should be entered in column 2 of the statement.

If the rate of tax applicable to your total income is less than the rate at which tax has been paid upon your dividends, you may, by attaching the company's certificate received with the dividends have the excess collected on your dividends from the company set against the tax payable by you on your other income instead of having to apply separately for a refund.

NOTE 8.—Agricultural income from land not paying land revenue or local rates to an authority in British India should be included under this head.

NOTE 9.—Deductions from total income can only be made for insurance premia in respect of insurance on your own life or on the life of your wife, or in respect of a contract for a deferred annuity on your own life or on the life of your wife. No deduction is permissible in the case of any other form of insurance except in the case of Hindu undivided families where deductions are permissible on account of premia paid in respect of insurance on the life of any male member of the family or of his wife. The original receipt or the certificate of the insurance company to which the premium was paid must be attached to the return.

NOTE 10.—The gross amount of salary and not the net amount after deductions on account of income-tax, provident fund, etc., should be shown.

NOTE 11.—Uuder this head should be shown interest on securities issued by the Government of India or a local Government or a local authority in India on which interest is paid or payable outside British India, and the interest on debentures of companies paid or payable outside British India. For this purpose "Company" means "a company as defined in the Indian Companies Act, 1913, or formed in pursuance of an Act of Parliament or of Royal Charter or Letters Patent, or of an Act of the Legislature of a British possession, and includes any foreign association carrying on business in British India whether incorporated or not, and whether its principal place of business is situate in British India or not, which the Central Board of Revenue may, by general or special order, declare to be a company for the purposes of this Act". Interest on all other securities should be shown under item 7—see Note 16. Interest should be shown gross if foreign tax is deducted therefrom after the assessee receives the interest; if the tax is deducted at source, the net interest received should be shown.

NOTE 12.—See instructions in Note 4.

NOTE 13.—The details should be given as explained in Note 5, but there will be no "deduct" entry on account of profits included in the amount already charged to Indian income-tax and the interest on socurities of the Government of India or a local Government of India declared to be income-tax free.

NOTE 14.—This should show professional fees received outside India. Professional fees received in India, though outside British India, will be shown in Part I.

NOTE 15.—The figure to be shown here is the amount actually received by the shareholder irrespective of whether the dividends are declared free of tax or not.

NOTE 16.—This head will include *inter alia* interest on at securities other than those entered in item 2 see Note 11. Interest should be shown gross if fereign tax is deducted therefrom after the assessee receives the interest; if the tax is deducted at source the net interest received should be shown.

NOTE 17.—Agricultural income from land not included in Part I should be shown under this head.

V. S. SUNDARAM,
Secretary, Central Board of Revenue

C. No. 23/973-I. T/26.

Copy forwarded to all Commissioners of Income-tax and all Chambers of Commerce.

RAM NATH,
for *Secretary, Central Board of Revenue.*

No. 1651 dated 20th July 1928.

From Chamber, to the Central Board of Revenue, SIMLA.

I am directed to acknowledge receipt of your Notification No. 23, dated 16th June 1928, regarding the proposed amendments in Indian Income-tax Rules, 1922, and submit the views of my Committee thereon, as under :—

My Committee approve of the proposed amendment to Rule 36 relating to the procedure to be adopted by a person resident in British India for applying for a refund of Income-tax under section 48 of the Income-tax Act, 1922. The new draft rule 36-A lays down procedure for a person not resident in British India

According to this new rule 36-A, a person, not resident in British India desirous of obtaining a refund of Income-tax under section 48 of the Income-tax Act, is obliged to swear before a Notary Public of other functionary or official authorised to administer oaths, that the application for refund of Income-tax made by him is correct. My Committee are of opinion that this obligation of swearing before a Notary Public or any other authority is wrong in principle. There does not appear to be any reason why this procedure should be adopted for non-resident persons. They may be only asked to fill in the proposed declaration form as individuals and joint stock companies, etc., liable to pay income-tax are required to do. My Committee are therefore, strongly opposed to the proposed new rule, 36-A.

APPENDIX 47.

PROPOSED AMENDMENT IN RULE 14 OF INDIAN INCOME-TAX RULES, 1922.

CENTRAL BOARD OF REVENUE.

NOTIFICATION.

INCOME-TAX.

Simla, the 1st September 1928.

No. 38.—The following draft of a further amendment to the Indian Income-tax Rules, 1922, which the Central Board of Revenue proposes to make in exercise of the powers conferred by sub-section (1) of section 59 of the Indian Income-tax Act, 1922, (XI of 1922), is published as required by sub-section (4) of the said section, for the information of all persons likely to be affected thereby, and notice is hereby given that the said draft will be taken into consideration on or after the 22nd October 1928. Any objection or suggestion which may be received in respect of the draft before the date specified will be considered by the said Board.

Draft amendment.

In rule 14 of the said Rules for the words "Warrant for Rs.—— being dividend of——per cent.", the following shall be substituted, namely :—

"Warrant for Rs.——(in words and figures)——being dividend at the rate of Rs.——(in words and and figures)——per share".

D. GLADDING,

Offg. Secy., Central Board of Revenue.

No. 2352, dated 17th October 1928.

From Chamber to the Central Board of Revenue, SIMLA.

With reference to your Board's Notification No. 38. dated 1st September 1928, regarding amendent in rule 14 of the Indian Income-tax Rules, 1922, I am directed to inform you that my Committee have no objection to the proposed amendment in the same.

APPENDIX 48.

PROPOSED AMENDMENT IN RULE 6 OF INDIAN INCOME-TAX RULES 1922

CENTRAL BOARD OF REVENUE.

NOTIFICATION.

INCOME-TAX.

Simla, the 25th August 1928.

No. 34—The following draft of a further amendment to the Indian Income-tax Rules, 1922, which the Central Board of Revenue proposes to make in exercise of the powers conferred by sub-section (1) of section 59 of the Indian Income-tax Act, 1922 (XI of 1922), is published as required by sub-section (4) of the

said section for the information of all persons likely to be affected thereby, and notice is hereby given that the said draft will be taken into consideration on or after the 25th October 1928. Any objection or suggestion which may be received in respect of the draft before the date specified will be considered by the said Board.

Draft amendment.

In rule 6 of the said Rules

(*a*) the words "at any time before the assessment of the income of the firm is made" shall be omitted, and

(*b*) to the said rule the following shall be added, namely:—

"Such application shall be made within the time and subject to the conditions, if any, which are specified in clause (*a*), clause (*b*), or clause (*c*), as the case may be of rule 2".

D. GLADDING,

Offg. Secy., Central Board of Revenue

No. 2354, dated 17th October 1928.

From Chamber, to the Central Board of Revenue, SIMLA.

With reference to your Board's Notification No. 34, dated 25th August 1928, regarding amendment in rule 6 of the Indian Income-tax Rules, 1922, I am directed to inform you that my Committee have no objection to the proposed amendment in the same.

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(3) TRADE AND INDUSTRIAL LEGISLATION.

APPENDIX 49.

THE RESERVATION OF THE COASTAL TRAFFIC OF INDIA BILL BY MR. S. N. HAJI.

No. 1011/942/M., Bombay Castle, 14th May 1928.

From the Government of Bombay, Marine Department, to Chamber.

SUBJECT.—The Reservation of the Coastal Traffic of India Bill by Mr. S. N. Haji.

I am directed by the Governor in Council to forward herewith a copy of Government Resolution No. 1011/942, dated the 14th May 1928, and to request that you will be so good as to favour Government with the views of your Chamber not later than the 12th June 1928, on the provisions of the draft Bill appended to it.

The Reservation of the Coastal Traffic of India Bill by Mr. S.N. Haji.

GOVERNMENT OF BOMBAY.

Marine Department.

RESOLUTION No. 1011/942.

Bombay Castle, 14th May 1928.

Letter from the Government of India, Legislative Department, No. F.-112-1/27-A, dated the 31st March 1928:—

"With reference to the Debates of the Legislative Assembly of the 22nd March 1928, I am directed to forward herewith copies of the papers noted on the margin and to request that the Governor in Council will favour the Government of India in this Department with an ex-

1. The Reservation of the Coastal Traffic of India Bill with Statement of Objects and Reasons by Mr. S. N. Haji.
2. * Extract from Legislative Assembly Debates dated 22nd March 1928 regarding the Bill.

* Will follow.

* Not printed Vide File No. 45 of 1928.

pression of his opinion on the provisions of the Bill, and with the opinions of the Honourable the Judges of the High Court and of such selected officers and other persons as the Governor in Council may think fit to consult on the subject.

"2. I am also to request that the Bill and Statement may be published in the *Bombay Government Gazette* in English and in such other languages as the Governor in Council may deem proper, and that the dates of such publication may be communicated in your reply.

"3. The reply to this letter should be sent in by the 1st July 1928."

RESOLUTION.—Copies of the letter from the Government of India and its accompaniments * should be forwarded to the honourable the Chief Justice and the Judges of His Majesty's High Court of Judicature, Bombay, the Port Officer, Bombay, the Commissioner in Sind, the Commissioner of Divisions, the Political Resident, Aden, the Collector of Salt Revenue, the Chairmen, Bombay, Karachi and Aden Port Trusts and the Remembrancer of Legal Affairs and they should be requested to favour Government with their opinions on the provisions of the Bill.

2. The Commissioners of Divisions should submit their reports after consulting the Collectors of such of the coast Districts in their Divisions as are likely to be interested in the proposed legislation.

3. The Port Officer, Bombay, the Commissioner in Sind, the Political Resident, Aden, and the Collector of Salt Revenue should also forward to Government with their remarks the opinions of the Shipping and other commercial interests concerned on the draft Bill. The Collector of Salt Revenue should be requested to submit his report through the Revenue Department.

4. Copies of the letter and its accompaniments should also be forwarded to the Chamber of Commerce, Bombay, the Chamber

of Commerce, Karachi, the Indian Merchants' Chamber, Bombay, and the Buyers and Shippers Chamber, Karachi, for their remarks.

5. The opinions called for should be submitted so as to reach Government in the Marine Department by the 12th June 1928 at the latest.

6. The Manager, Government Central Press, should be requested to print the Bill with the Statement of Objects and Reasons in the *Bombay Government Gazette*. The Oriental Translator to Government should be asked to translate them into Marathi, Gujarati, Urdu and Kanarese and to forward the translations to the Manager, Government Central Press, for publication in the *Gazette*. The Commissioner in Sind should be requested to take similar action with regard to Sind. The dates of publication in the *Bombay Government Gazette* and the *Sind Official Gazette* should be reported to Government.

By order of the Governor in Council,

A. H. DRACUP,

Under Secretary to Government.

G.R., M.D., No. 1011/942. dated the 14th May 1928.

BILL

TO

Reserve the Coastal Traffic of India to Indian Vessels.

WHEREAS it is expedient to provide for the rapid development of an Indian Merchant Marine;

And whereas for this purpose it is expedient to reserve the Coastal Traffic of India to Indian vessels; It is hereby enacted as follows:—

Short title, extent and commencement.

1. (1) This Act may be called the Reservation of the Coastal Traffic of India Act, 192 .

(2) It extends to the whole of the Coastal traffic of British India and of the Continent of India.

(3) It shall come into force on such date as the Governor General in Council may, by notification in the Gazette of India, appoint.

Definitions.

2. In this Act, unless there is anything repugnant in the subject or context,—

(1) "A common carrier by water" means a common carrier by water engaged in the cargo and passenger traffic between any two ports in British India, or between any port in British India and any port or place on the Continent of India.

(2) "A subject" means a person and includes a joint stock company, corporation, partnership or association existing under or authorised by the laws of British India.

(3) "Controlling interest" means—

(*a*) that the title to not less than 75 per cent. of the stock is vested in British Indian subjects free from any trust or fiduciary obligation in favour of any person other than a British Indian subject,

(*b*) and that in the case of a joint stock company, corporation or association, the Chairman of the Board of Directors and not less than 75 per cent. of the number of members of the Managing firm of and of the Directors of the Board are British Indian subjects,

(*c*) and that not less than 75 per cent. of the voting power is vested in British Indian subjects,

(*d*) and that through any contract or understanding it is not arranged that more than 25 per cent. of voting power may be exercised, directly or indirectly, on behalf of any person who is not a British Indian subject,

(e) and that by any other means whatsoever control of any interest in excess of 25 per cent. is not conferred upon or permitted to be exercised by any person who is not a British Indian subject.

(4) "The coasting trade of India" means the carriage by water of goods or passengers between any ports in British India, or between any port in British India and any port or place on the Continent of India.

License for coasting trade.

3. No common carrier by water shall engage in the coasting trade of India unless licensed to do so;

Issue of License.

4. The license for engaging in the coasting trade, of India shall, on applications, be issued by the Governor General in Council, subject to such rules and conditions as may be prescribed in that behalf by the Governor General in Council.

Security for license.

5. Before granting a license, the Governor General in Council may require security to be given to his satisfaction by the master, owner, charterer or agent of the vessel for compliance with the conditions of the license.

Amount of security.

6. The amount of security required under section 5 shall not exceed Rs. 50,000.

Duration of license.

7. Every such license shall be for the duration of three years only.

Renewal of license.

8. Every such license shall on its expiry be renewable on application to the Governor General in Council.

Proportion of tonnage.

9. A proportion of not less than 20 per cent. of the tonnage licensed for the first year, not less than 40 per cent. of the tonnage licensed for the second year, not less than 60 per cent. of the tonnage licensed for the third year, not less than 80 per cent. of the tonnage licensed for

the fourth year and all the tonnage licensed for the fifth and subsequent years shall have the controlling interest therein vested in British Indian subjects.

Penalty.

10. The penalty for the contravention of this Act shall be a fine not exceeding Rs. 10,000, or simple imprisonment for a period not exceeding six months, or both.

Cancellation of license.

11. In addition to or in lieu of any penalty otherwise provided, the Governor General in Council may cancel any license for engaging in the coasting trade of India if he is satisfied that a breach of any of the conditions of the license, as may from time to time be prescribed by the Governor General in Council, has been committed.

Opportunity to show cause.

12. No license for engaging in the coasting trade of India shall be cancelled, unless an opportunity has been given to the master, owner, charterer or agent of the vessel to show cause against such cancellation.

STATEMENT OF OBJECTS AND REASONS.

The object of this Bill is to provide for the employment of Indian tonnage in the coastal traffic of Britsh India and of the Continent of India. This Bill is intended to serve as a powerful aid to the rapid development of an Indian Merchant Marine. Several attempts made in this direction in the past have all practically failed, owing, it is believed, to the existence of powerful non-Indian interests in the coasting trade of India. There can be no doubt that the growth of an Indian Merchant Marine would prove a powerful factor in the employment of Indian talent and the further extension of Indian trade in various directions in a manner calculated to advance the national interests of India.

SARABHAI N. HAJI.

No. 1568, dated Bombay, 6th/7th July 1928.

From Chamber to the Government of Bombay, Marine Department, Bombay.

I am directed by the Committee of this Chamber to inform you that my Committee are in favour of the principle of the Bill introduced by Mr. S. N. Haji in the Legislative Assembly to reserve the Costal Trade of India to vessels owned and controlled by Indians.

The main principle underlying the Bill is one which has also been recommended by the Indian Mercantile Marine Committee for adoption by the Government of India if they wanted to satisfy what themselves have recognised as a "perfectly legitimate" and a "perfectly natural desire" on the part of the people of India. As its terms of reference indicate, that Committee was appointed "to consider what measures can usefully be taken" to create and develop an Indian Mercantile Marine. One of the principal measures recommended by that Committee to gain the end in view is: "that the Indian Coasting Trade should be reserved for ships, the ownership and controlling interests in which are predominantly Indian", as is sought to be done by the Bill under consideration.

My Committee are aware that the principle of reservation has been opposed by the representatives of the British Shipping interests entrenched in the Indian Coastal Waters and by two successive Commerce Members of the Government of India. They further note that the present Commerce Member has not yet committed himself to the downright opposition that characterised his predecessor who, if it had been possible for him, would not have even allowed the Bill to be introduced as is clear from his vehement dislike to it. Government opposition to the reservation principle seems now to be more restrained in character as Sir George Rainy stated in the Legislative Assembly on the occasion of the discussion on the motion for circulation of the Bill for opinions:—

> "But I am anxious to make it clear that while Government do not oppose the motion for circulation, they do

regard the objections raised by Sir Charles Innes on that occasion as very serious and very important, and unless a further examination of the subject should show that they were not well-founded, these objections would, I think, be regarded by them as very nearly conclusive against the scheme."

Having thus modified the earlier uncompromising attitude of the Government of India, the present Commerce Member referred to one or two points which it is desirable to examine at the very start.

In course of his speech, Sir George Rainy allowed it to be inferred, if he did not actually state, that this Bill if passed, will have an unfavourable reaction upon the position of Indians in the British Colonies, where they were fighting for equality of status. It is difficult to understand why this subject was mentioned by him in this connection unless it was with a view to side-track the main issue. The fight to obtain for Indians equality of status as citizens in the British Dominions has nothing in common with the attempt to develop an Indian Mercantile Marine by means of the Reservation of the Coastal Trade of India. Moreover economic discrimination against non-nationals, particularly in a manner recognised by International Law, is a totally different proposition from the anti-Indian Legislation intended to turn Indian Colonials into helots of the Empire. India, it cannot be too strongly urged, has never sought to dictate, the economic policy of the British Colonies nor to oppose it when calculated to help their economic growth. To give an example of a Legislative enactment similar to the one under discussion, India never objected—she would not have been justified in objcting—to the Coasting Legislation of Australia which had the practical effect of reserving the Australian Coastal Trade to the ships of the Australian Mercantile Marine. Sir George Rainy seems to have overlooked the fact that if the Bill was discriminating against any British subjects as such, it would have been ruled out under section 736 of the British Merchant Shipping Act. The Law Officers of the Crown in England, who

are the highest legal authorities within the Empire, on being approached in this connection, have definitely ruled that the Bill does not contravene the relative Section of the British Merchant Shipping Act and therefore is not *ultra vires* the Indian Legislature. One would have expected, that in view of this opinion of the highest legal authority available, even the Government of India who unfortunately in economic matters look at Indian problems from the point of view of other than Indian interests, would have been well advised to desist from discouraging Indians with the bogey of retaliation when they try to conserve India's economic interests within strictly constitutional limits.

It is India's birthright to reserve her coastal trade for her national vessels, under International Law, under relative British Legislation, and even under present day Constitutional powers. Such being the case, there is no justification for the alarm raised by the Commerce Member, because no British Colony can prevent India from adopting a principle which is guaranteed to her by existing Laws. Moreover no British Colony will be led, or rather misled, to raise opposition to the Bill because no Colonial Shipping Company is at all interested in the Coastal Trade of India.

My Committee have thought it right to deal with this subject fairly exhaustively because if there was anything in the argument brought forward by Sir George Rainy in this connection it would make it necessary to examine it in the light of its extra territorial reactions. As matters stand, however, the Bill cannot possibly lead to such complications as are feared by the Commerce Chamber.

Another difficulty raised by Sir George Rainy refers to the definition of the Coasting Trade of India as given in the Bill wherein it is stated that "the Coasting Trade of India means the carriage by water of goods or passengers between any ports in British India or between any port in British India and any port or place in the Continent of India". Having given this definition the Commerce Member proceeded to say, that if this

definition of the Coasting Trade of India were kept in the Bill when it was passed into Law, it would involve the breach of International Agreements to which India is a party and in particular of the Convention and Statute on International Regime of International Ports, which was concluded in 1923 and to which India was a signatory.

Now as regards the Maritime Ports Convention it should be noted that it has reference merely to the access and use of the facilities provided by the ports, but it cannot be too strongly pointed out that this very article of the Convention itself does make an exception in the case of the two principles of reciprocity and reservation. The proposed application of the maritime port Convention is, therefore, unwarranted in the case of the Coastal Reservation Bill. It is no doubt true that there are a few foreign ports on the coast of India but there is nothing to show in the legislation hitherto enacted by the Government of India, that International Agreements will be broken if they were brought under Statutes passed by the Indian Legislature. For example, the Indian Mercahnt Shipping Act of 1923 defines a "home-trade ship" as under:—

> "Home-trade ship" means a ship employed in trading between any ports in British India or between any port in British India and any port or place on the continent of India or in the Straits Settlements, or in the Island of Ceylon."

This extract from the Indian Merchant Shipping Act shows that the Government of India were indifferent to the rights of the foreign ports on the Indian Coast until the necessity for the reservation of the Coastal Trade of India became a live issue, but even granting that the foreign ports on the Indian Coast have a right to be taken into consideration, the utmost that they can insist upon is that the direct trade between two or more French or Portuguese Ports on the Coast cannot be brought under the operations of the Bill As, however, such trade is almost non-existent and as neither French nor Portuguese ships are

interested in the Coasting Trade of India, the point proposed to be made by the Commerce Member has no practical significance. In so far as the trade between foreign ports on the Indian Coast and the ports in British India is concerned, the same is to be regarded as foreign trade in which ships of any nationality can ply without any restrictions. Moreover, it is to be remembered, that both these countries, *viz.* France and Portugal, have themselves reserved their respective coastal trades to the ships owned and controlled by their own nationals. Even this trade, that is, the trade between foreign Indian Ports and British ports on the Indian Coast, is so meagre, that its exclusion from the coasting trade of India cannot possibly make any appreciable difference to the solid economic advantages, which it is proposed to obtain for India by the passing of the Reservation Bill. There is, therefore, no ground for the serious concern with which the Commerce Member regards this subject as indicated by his statement that "the point would have to be examined how far the Reservation of the Coasting Trade would be effective for the purposes for which it is intended if it is not possible to legislate so as to include these ports on the Continent of India which are outside of British India." His further fears, that the Coastal Bill might result in a transfer of "good deal of the *entrepot* trade of Bombay to a port like Marmagoa," are rather far-fetched. Apart from the Customs Barrier the port of Marmagoa can provide neither the port nor the transport facilities of Bombay. My Committee, therefore, have no hesitation in stating that the misgivings with which the Government of India seem to approach the subject are uncalled for, and they trust that the Bill under consideration will not be sacrificed to such imaginary forebodings.

The two points discussed so far in this representation are the new ones added by Sir George Rainy to the old objections of Sir Charles Innes, which he referred to as being "very nearly conclusive against the scheme" of Coastal Reservation. Turning now to the speech of the late Commerce Member, we find that while the speech of Sir George Rainy is at least argumentative and indicates an open mind, that of his predecessor on the same

subject strikes my Committee as being full of dogmatic assertions and misleading statements.

The first mis-statement to which Sir Charles seeks to give currency is that Coastal Reservation means expropriation. That this is a wrong statement is clear when we remember that the coastal reservation merely precludes non-national ships from trading on the coast, but it does not mean their confiscation. Their movements in other waters are wholly unchecked. Even so far as the plying of the ships is concerned, the Bill seeks to achieve its object gradually and by degrees.

The second wrong statement occurs, when Sir Charles says that "Reservation introduces a principle new to the British Law, new that is to say; in the sense that it has never been acted upon except in war time". And yet the British Merchant Shipping Act lays down expressly the conditions under which not merely the United Kingdom but even the Colonies and Dependencies within the Empire might reserve their coastal trade to their own nationals. As a matter of fact, Australia has practically reserved her coastal trade to her own nationals— an example to which Sir Charles himself referred in his speech.

His third wrong statement is that "Another grave objection to the proposal (of Coastal Reservation) is that it attempts a principle of flag discrimination". Any one with the slightest knowledge of the International aspect of shipping knows, that flag discrimination is a phrase mentioned only in connection with the foreign trade of a country and not with reference to her Coastal Trade, which is her domestic preserve guaranteed by tenets of International Law.

Coming next to the arguments of Sir Charles Innes, we find that they are as misleading as his statements. His argument, that India is not in need of a Mercantile Marine, because India has not a navy to defend her coasts, is no longer true as the Government of India have already re-organized the Royal Indian Marine on a combatant basis. Such being the case it is only but

right that India, like other countries, having combatant Naval Units, should also have her first line of Defence supported by a second line provided by a National Merchant Marine.

That portion of the speech of Sir Charles Innes, which deals with the economic facts of India in reference to a policy of Reservation, is one to which the Chamber takes particular objection. He begins this part of the subject with an unfair attack on the Indian Marine Committee, whom he charges with not having got into contact with the economic facts of the case. Relying upon the statement in the Report, that the Committee "do not consider it possible to say at this stage whether Reservation of the Coasting Trade of India for ships which are predominantly Indian in character is likely to be beneficial to India or not, for the simple reason that there are no data at present on which a satisfactory conclusion can be based," the late Commerce Member practically charges the Committee with utter ignorance of the facts of Indian Shipping Economics, but he forgets that the Committee not only considered the question in all its aspects but were brought into close touch with all the relevant facts, both commercial and economic, in course of their deliberations from November 1923 to February 1924 during which they visited all the important ports of India and were brought into direct contact with economic facts not merely by their personal investigations but by the evidence that was tendered to them by a large number of competent witnesses. It was not merely the prominent Indian Shippers and Merchants who supported the policy of Coastal Reservation, but practically all the organizations and associations of different trades such as the Rice Merchants' Associations, the Grain Merchants' Association, Buyers and Shippers Association, Skin and Hide Merchants' Association, to say nothing of the Indian Commercial Bodies at the major Indian ports, told the Committee with one voice, that Coastal Reseravtion was necessary in the economic interests of India:—

1. To prevent the monetary drain of shipping freights which in the coasting trade alone annually exceeds Rs. 10,00,00,000.

2. To provide Marine Careers for Indian Youths who have so far been kept out by British Shippers Companies on racial ground.

3. To develop the many small ports on the long coastline of India, which have so far been neglected by the foreign ship-owing monopolists, who prefer the quicker profits of the trade of the larger ports.

4. To develop the new nascent industries of India by a proper policy of freight charges and other facilities and to further the development of Indian markets both at home and abroad.

5. To create a fuller participation of Indian Merchants in the Overseas as well as the Coastal Trade of India.

6. To provide in the coasting ships a nucleus from which the Indian ships might proceed to carry the overseas trade of the country.

7. To secure in the long run to Indian Trade and Commerce the benefits of a second line of defence in times of war.

The above economic facts were so prominently brought to the forefront of their evidence by the witnesses that it is unjust to charge the Indian Mercantile Marine Committee with ignorance of their subject. The extract from the Report quoted by Sir Charles Innes should not be understood to mean that the Committee had no knowledge of the past or existing data regarding the subject. They justly felt, however, their inability to comprehend what the future effect will be when as a result of the adoption of a policy of reservation, the trade is confined to the shipping companies predominantly Indian in character, and in the inevitable difficulty of envisaging all the possibilities, the Committee were justified in declaring that it was not possible for them to say then whether a policy of reservation would turn out to be beneficial to India or not. At the same time, judging from the fact that the

system of reserving the coastal trade has been adopted by other countries and was still continued by them and from the evidence regarding the past and existing facts regarding Indian Coastal Trade, the Committee were so assured of beneficial effects of their recommendation regarding reservation, that they proceeded to recommend that an adequate Indian Mercantile Marine should be created "within a reasonable period of time and not in the distant future." "This being so, it is *our considered opinion*, that the provision of facilities for the training of Indian Officers and Engineers alone is not sufficient to meet the requirements of the case and that some futher steps are required to achieve the object in view. These further steps we recommend should be in the form of the eventual reservation of the Indian Coasting trade for ships the ownership and controlling interests in which are predominantly Indian."

Let us, now examine the way in which Sir Charles Innes makes out his case aginst the Indian Mercantile Marine Committee. The late Finance Member excuses the delay of his Department in dealing with the Report of the Committee on the plea that the Department took two years to study the economic facts, according to him were so wantonly neglected by the Committee.

What are, however, these fundamental economic facts? First, the experience of the countries that have reserved their coastal trade. In this connection, it is remarkable to notice, that the late Commerce Member forgets the age-long experience of countries that have reserved their coastal trade, such as the United States of America, Russia, Austria, Belgium, France, Spain, Portugal, Italy and Japan—countries which have been so benefited by this policy that they still continue it. This glaring proof so weakens the case of Sir Charles Innes that he disregards the very existence of these countries. He, however, takes the example of countries, such as Chille and Australia, which have reserved their coastal trade for only the last ten years in order to develop a national mercantile marine, the importance of which was so singnificantly brought out during the Great War.

To take the case of Chille, the Commerce Member has stated that owing to the adoption of a reservation policy in 1922, her coasting freight rates have ruled 50 per cent. higher than they were before that date. Here the Commerce Member is singularly misinformed. In an official publication of the Deparment of Overseas Trade, Report on the Industrial and Economic situation in Chille for 1924 by the Commercial Secretary to His Majesty's Legation, it is stated that "The Cabotaje Law" (*i.e.* the Coastal Reservatiou Law) has not benefited Chilean steamship owners to any extent. The tonnage acquired by Chilean Owners since the passing of this Law has resulted in a superabundance of vessels for the trade," which is quite a different thing from the rise in freight referred to by the Commerce Member. But probably he was led into making his statement, as the 50 per cent. higher freight is the theoretical maximum allowed under the Coasting Law. There is, therefore, no justification for misleading the Members of the Legislative Assembly by the statement that the Chilean Coastal rates have gone up by 50 per cent, when the Commerce Member must have known that that rate was the maximum to which the freight could reach in theory and that as a matter of fact owing to the superabundance of tonnage referred to in the official report, the prevailing rates were actually much lower.

But, after all, the best judges of the economic advantages or otherwise of the reservation measure are the Chileans themselves. No Chilean Authority has been cited in support of the statement, that the Chilean Trade has suffered considerably since the Reservation policy was inaugurated. There is nothing to show that Chilean Merchants have protested against the Reservation Policy, nor that the Government of Chile have decided to withdraw the measure.

The Chilean example, therefore, does not show, as Sir Charles Innes stated, that the rates of freight go up owing to reservation but it definitely proves that superabundance of tonnage and consequent lower freights follow the adoption of a policy of reservation, which the Bill seeks to secure also for India.

Let us now take the case of Australia. Much has recently been made of the failure of Australian methods to develop a national mercantile marine. To understand the Australian position properly it is necessary to remember that there are two aspects of the Australian shipping policy : (1) referring to Coastal tonnage, and (2) Over-seas tonnage. In 1921 effect was given to an earlier Act, which by the special character of its clauses was intended to practically reserve the coastal trade of Australia to Australian ships. Simultaneously with this means of developing national shipping was adopted a policy of State ownership of ships in order to facilitate participation of Australian ships in the over-seas trade of the country. The latter half of the scheme may be said to have been definitely abandoned after the recent sale of the Australian Government ships, but so far as the coastal Navigation Law is concerned, with which we are at the moment concerned, it still continues on the Australian Statute Book and there is nothing to show that it is to be scrapped or even to be modified to any remarkable degree. It is known that practically at the same time the Indian Mercantile Marine Committee was sitting in India, there was sitting in Australia a Commission "Appointed to inquire into and report upon the effect of the operations of the Act (Navigation Act) upon Australian Trade and Industry." The findings of this Commission were not available to the Mercantile Marine Committee when they drew up their Report. They had, however, full cognizance of the nature of the evidence, which was bing tendered to the Commission and from their Report it appears that they were even prepared for the finding, that the Australian Navigation Act had failed to achieve the desired effect, and therefore, should be repealed. As the Report of the Indian Mercantile Marine Committee stated: "It does not follow even if the Australian system has not been successful that the system we propose for the Indian Coastal Trade will not be a success."

But has the Australian Reservation system failed? In order to get an answer to this question we cannot follow a better guide than the Report of the Aurtralian Commission on the Navigation.

The Report is signed by all the seven Commissioners. Two of them are definitely hostile to the continuance of the coastal provisions. As against these two, three of the Commissioners recommend that whatever may have happened the coastal clauses of the Act should be retained. This finding is supported by the remaining two Commissioners, who opine that the provisions of the Navigation Act should be retained with modifications. Thus, 5 out of 7 Commissioners are in favour of the policy of Reservation, the slight difference in opinion between them merely referring to certain modifications of the coastal clauses. It cannot, therefore, be denied, that if the Report of the Australian Commission had been before the Indian Mercantile Marine Committee they would have been emphatic in their recommendation of coastal reservation as a policy to be adopted to develop an Indian Mercantile Marine.

It is remarkable that Sir Charles Innes, who in his speech does not refer to any of the witnesses before the Indian Mercantile Marine Committee and is merely content with casting serious aspersions against the ability of its Members, profusely quotes only from those Australian witnesses, who strongly put before the Australian Commission the case against the coastal provisions of the Navigation Act, which evidently suited the purpose of the Hon'ble Member. The evidence of the pro-reservation witnesses does not naturally appear in the speech of Sir Charles Innes, but it must have seriously impressed the Australian Commissioners, because as stated before by a majority of 5 to 2 they have declared in favour of the continuance by Australia of the policy of Coastal Reservation.

As regards Algeria, which is specifically mentioned by Sir Charles Innes as an example of economic discontent owing to the rise of freights resulting from the policy of coastal reservation, it is difficult to understand what made him hold up prominantly before the Assembly the example of a small country, with a short coastline, a few ports and a dependent position within the French Empire. It cannot be made too clear, however, that the reservation of the Algerian Coastal Trade has been ordained by the French Government not in the interests of Algeria, but in the in-

terests of French Shipping. The example of Algeria would be opportune if it was proposed to reserve the coastal trade of India to vessels of the British Mercantile Marine as was barefacedly put up by the British Shipowners, when after the War they were moving Heaven and Earth to devise means to resuscitate the then depleted British Mercantile Marine. If, therefore, it was the intention of Sir Charles Innes to bring forth a case of an Empire, which exploit a dependency in the interests of its own shipping, he could not have done better than quoted, as he did, the instance of Algeria. As a matter of fact under the circumstances of to-day India has been for years past in practically the same postion as Algeria. Indian coastal trade is practically reserved for British shipping companies and until very recently, when a substantial Indian Shipping Company appeared on the scene, this British shipping monopoly in India employed all those monopolistic practices, which resulted in raising the freights in Algeria and keeping them above normal. Indian consumers paid until recently very high rates but they will be benefitted by the policy of reservation, because as in Chile so in India, there will be so much competition among Indian Companies started to benefit under the scheme that freights in due course will go down to the competitive normal, which was so far practically never been reached in the Indian Coastal Trade, because the British have always exploited the trade in their own interests. It is because the Chamber believes, that there is bound to be more competition and consequently lower freights, to say nothing of the other economic advantages, under the Reservation Policy than what prevails now, that the Chamber is anxious to do away with present conditions at as early a date as possible.

Not content with misquoting Algeria as the example of a country which has to pay higher freight rates owing to the reservation of its coastal trade to national vessels, Sir Charles Innes proceeded to say on the basis of the Algerian rise in freights, that India, on a similar proposition, would have to pay about 70 lakhs of rupees more per annum in freights alone, a fallacy which we have already exposed. As a matter of fact the only conclusion to arrive at from

this statement of the rise in freights under reservation as based upon Algerian example is that India paid annually until recently about 70 lakhs of rupees more in freights than she need have paid under normal conditions, because the Indian coastal trade was then practically reserved for Non-Indian British Shipping, guarding it as a monopolistic preserve. Algeria, therefore, provides us with one lesson, namely, that if normal rates of freight are to prevail in the coastal trade of India no time should be lost in abolishing the present foreign shipping monopoly in the Indian Coastal Waters.

Having proved to his satisfaction that the policy of reservation would mean economic ruin to the Indian Coastal Trade, Sir Charles Innes proceeds to analyse the characteristic features of the trade—a process which brings out his own want of acquaintance with the fundamental facts of that trade. Sir Charles Innes says : "The coasting trade of India is largely a seasonal trade." We do not know if this was the case before the War, but recently figures show that it possesses no such seasonal character. The number of sailings of ships is approximately the same in the first half of the year as in the second half and there are no marked fluctuations which would indicate that while some months are inordinately busy, others are unduly slack. As a matter of fact it is an article of faith with the present shipping monopoly, that it provides a regular service not merely for passenger traffic but for cargo traffic as well. Those conversant with the business well know that the tonnage provided is almost constant throughout the year. It is, therefore, at first sight rather difficult to understand why Sir Charles Innes lays so much stress upon a characteristic feature of the trade which, to those in the know, does not even exist. But perhaps there is an object behind the insistence which shows up in his further analysis of the coastal trade. He says : "If you exclude the oil trade, we have worked out that for the coasting trade of India you require something like 65 steamers of an average deadweight capacity of 7,500 tons. That is the maximum. But in the slack season the requirments drop to 39 steames." From this he

proceeds to place the reservationists on the horns of a dilemma : "If your licensed fleet", says he, " was sufficient to cope with the trade in the busy months you would require 65 steamers, but of those 65 steamers, 26 would be laid up in the slack months of the year. Interest charges, overhead charges would still run on and you would have to pay those interest charges by the enhancement of freighs. Supposing you have a fleet only big enough to cope with the trade in the slack season, it would not be sufficient to carryt raffic in the busy season." Now my Committee, in the light of the statement made regarding the seasonal character of trade, would seriously challenge the correctness of the figures mentioned by Sir Charles Innes. Even granting for the sake of argument that his analysis of the number of steamers required in the seasonal period is correct the underlying fallacy of his conclusions arises from the fact, that the Commerce Member not having any experience of the shipping industry does not know that steamers do not always wait for a full load before getting their clearance from a Port. It is no doubt true that steamers get quick despatch and full load when traffic is brisk, which may happen in any month of the year, but to seek to create an impression on the lay mind, that in the slack months 26 steamers are laid up is either to display one's ignorance of shipping or to make capital out of the ignorance of others. In shipping practice what happens is that during the slack period, which are by no means seasonal, the number of steamers engaged in the Trade is about the same as in the busy period, but they have to wait in port for longer periods for their cargo and even then cannot be sure of full loads. It is during such period, that steamers that are due for Dry Docking are removed from the Trade, but to say that 26 steamers are laid up in the slack months is a distortion of the true conditions prevailing in the business.

As regards the other fallacy regarding the inadequacy of the required tonnage if the licensed ships were limited by the requirements of the slack season alone, it is sufficient to say that no such intention has ever been expressed by anyone conversant with the

subject. However, it should be clearly understood that in the event of temporary periods of slack business, there will be nothing to bar the licensed ships from plying on the adjacent or distant routes of our over-seas trade. It has never been the intention of the advocates of the Indian Mercantile Marine, that these ships of that Marine should be run only along the Indian Coast. We are all looking forward to the time when Indian ships will carry Indian products and manufactures to distant countries and bring back to India what she wants from foreign lands. It is, moreover, hoped that the development of Indian shipping under the reservation policy would be so great as to lead to its adequate participation in Ocean Trade. Indians with a large vision of the future of the country would welcome even such a small measur, like the Coasting Bill on the Statute Book, in the hope that theire national ships would, a little later, be able to take a prominene part in the larger over-seas trade of their country. It is, thereforet difficult to follow Sir Charles Innes when he says that " I take it as axiomatic that if you close your coasting trade, your ships will be confined to their sheltered waters." The then Commerce Member seems to have forgotten that, India's Reservation of her coastal trade does not allow another country to deprive her of the right to participate in the carriage of her foreign trade with that country. It is surprising that the Commerce Member does not seem to know the rights of a country with regard to Coastal Trade and Ocean Trade. The adoption of a policy of reservation by India cannot prevent the participation of Indian ships say, in the Indo-Japanese Trade. .It would no doubt be different if Indian ships tried to get into the Japanese Coastal Trade which is reserved to the Japanese nationals, but there is no law—there can be no law—either in Japan or in any other country preventing ships of India participating in the Ocean Trade, which is as much theirs as hers.

In the face of all these relevant facts and arguments it is difficult to see how any unbiassed person can say that the trade and commerce of the country will suffer in case the monopolistic British Shipping interests are kept out of the Indian Coastal.

Trade. Really speaking the hollowness of this plea must have been clear to Sir Charles Innes himself, because he tries to strengthen it by saying, that as the principal Indian Shipping Company has its Headquarters in Bombay, the monies of Burma, Bengal and other Provinces would be drained into Bombay. Apart from the fallacies inherent in such an argument and the mischievous introduction of provincial jealousies in this matter, one would be justified in drawing the conclusion that Sir Charles Innes would not mind if the wealth of Burma, Bengal and other Provinces together with that of Bombay, went into the ever accommodating pockets of London. That such a responsible Member of Government should have presented such a perverted view of the subject leads one to believe that he was the mouthpiece of British vested interests in India, when he spoke against the Reservation policy in the Legislative Assembly on 19th March 1926.

Under the circumstances, my Committee hold that Government should pay no heed to the speech of Sir Charles Innes. He has not succeeded in putting up a convincing case to show that a competent Committee had failed to do its duty when its main recommendation—the policy of reservation has been based upon the practice and experience of all maritime countries of the world ensuring universal applicability and certainty of success, and has also received the unanimous approval of the Indian people.

Further, I am directed to point out that in 1923 when Mr. T. V. Seshagiri Ayyar introduced in the Legislative Assembly a Bill "to provide for the prevention of rate-wars and resort to retaliatory or discriminating practices in the Coastal Traffic of India" my Committee fully approved of the general principles underlying the Bill. Again, in October 1927, while addressing the Government of India, Department of Commerce, regarding their attitude in not taking any action to carry out the main recommendations of the Indian Mercantile Marine Committee my Committee emphasised the urgent necessity of doing away with the Deferred Rebate system. They again take this oppor-

tunity of strongly reiterating their views on the question of the Deferred Rebate system, which has a distinct bearing on the question of the development of an Indian Mercantile Marine.

My Committee, therefore, strongly urge upon the Government of India the urgent necessity for putting the Coastal Reservation Bill upon the Statute Book in the interests of India's trade, commerce and industries and for the provision of training facilities and employment of qualified Indian youths, which latter, in the opinion of my Committee, should be enforced by a definite Clause in the License in terms of the relative recommendation of the Indian Mercantile Marine Committee, namely: that the Licensing authority is satisfied "that the Joint Stock Company (Public or private) or individual by whom it (licensed ship) is owned gives an undertaking in writing to take Indian apprentices for training subject to a minimum of 2 per ship, no line being compelled to take more than 60 apprentices all-told. Provided further that such Joint Stock Company or individual owner undertakes to employ qualified Indian Officers and Engineers as they become eligible, up to the extent of at least 50 per cent of the total number of Officers and Engineers employed".

Dated 12th December 1928.

Telegram from Chamber, to the Private Secretary to His Excellency the Viceroy, Viceroy's Camp.

"Committee Indian Merchants' Chamber request His Excellency the Viceroy to be pleased to forward the following telegram to the Secretary of State for India. Telegram begins: Committee of the Indian Merchants' Chamber have seen the protest addressed to the Secretary of State for India by the Association of British Chambers of Commerce against the Coastal Traffic Reservation Bill. Committee take this opportunity to point out that the Bill has unanimous Indian support and deny that it will react to detriment of Indian Trade. Committee maintain and assert the right of India to manage her economic affairs in her

best interests and repudiate the allegation that the Bill aims at expropriation. Lakhmidas Tairsee-President."

No. 387-S(12).

New Delhi, the 27th December 1928.

From the Government of India. Department of Commerce, to Chamber.

I am directed to acknowledge the receipt of your telegram addressed to the Private Secretary to His Excellency the Viceroy, dated the 12th December 1928, regarding the coastal traffic reservation Bill, and to say that a copy of the Chamber's telegram has been forwarded to His Majesty's Secretary of State for India.

19th December 1928.

Telegram from the President of the Indian Merchants' Chamber, to the Private Secretary to His Excellency the Viceroy, Viceroy's Camp.

"Committee Indian Merchants' Chamber have noticed with considerable regret the reference made by His Excellency the Viceroy at the meeting of the Associated Chambers of Commerce criticising Mr. Haji's Coastal Traffic Reservation Bill. The Committee wish respectfully to draw His Excellency's attention to the constitutional aspect of the question created as in this particular case the Legislative Assembly has seisin of the Bill which is before its Select Committee. The Governor General has constitutional powers of vetoing or arresting further progress of the Bill and His Excellency's remarks against the principle of the Bill are likely to impede its further progress. With great deference to His Excellency my Committee reiterate their earlier opinion, that the Coastal Reservation Bill is a desirable measure in the economic interests of India. Lakhmidas Rowjee Tairsee, President."

APPENDIX 50.

VIEWS OF THE BOMBAY PORT TRUST ON THE COASTAL TRAFFIC RESERVATION BILL.

No. 2380, dated 20th October 1928.

From Chamber to the Government of Bombay, Marine Department, Bombay.

My Committee are given to understand that Mr. Sharpe, Chairman of the Bombay Port Trust, gave his opinion on the Coastal Reservation Bill introduced by Mr. S. N. Haji, M.L.A., in the Legislative Assembly, in his personal capacity and not as Chairman of the Bombay Port Trust. Government will have seen from the papers which the Government of India circulated to all the members of the Assembly that the opinion of the Chairman of the Bombay Port Trust figures there in extenso and that no explanation is given therein as to whether the same represents the opinion of Mr. Sharpe *personally* or of the Board of the Port Trustees. The Government of Bombay transmit several letters to the Chairman of the Bombay Port Trust for opinion and they are placed before the Board of Trustees for consultation and discussion. This procedure, however, was not followed with regard to the letter referred to regarding the Coastal Reservation Bill, and from the way in which the reply of the Chairman was printed alongside with replies of Chairmen of other Port Trusts, the impression is created that all these letters represent the views of the different Board of Port Trustees. In fact, my Committee also felt the same and it was not till they had consulted their representatives on the Port Trust that they came to know that the letter from the Government of Bombay regarding Mr. Haji's Coastal Reservation Bill was not placed before the Board of Port Trusees and that the Chairman had taken it upon himself to inform Government of his personal views. My Committee are thus faced with a difficulty involving rather a delicate question as to whether the communications which the Government of Bombay either of their own accord or under instruc-

tions from the Government of India address to the Chairman of the Bombay Port Trust are addressed to him in his personal capacity or in his capacity as Chairman of the Board of Port Trustees and also whether Government require his personal opinion or the opinion of the Port Trustees as such. My Committee will be obliged if you will be kind enough to throw some light on this question and inform them as to the principle or principles underlying such communications and specially whether replies which are received from public or semi-public bodies are to be construed as expressions of opinion of those public bodies or as expressions of opinion of merely their Chairmen in their individual and personal capacity. You will also be good enough to let my Committee know if Government in their own communications to these public bodies or semi-public bodies make it clear whether they are intended to be answered collectively or individually by the Chairmen alone and also whether when these replies are received there is anything to indicate that they are replies of individuals as apart from those which are given collectively.

No. 1011-M, Bombay Castle, 13th December 1928.

From The Government of Bombay, Marine Department, Bombay to Chamber.

With reference to your letter No. 2380, dated the 20th October 1928, referring to the opinion communicated by the Chairman, Bombay Port Trust, on the subject of the Reservation of the Coastal Traffic of India Bill by Mr. S. N. Haji, I am directed by the Governor in Council to say that Government address such communications to the Secretaries and Chairmen of public and semi-public bodies in their capacity as representatives of these bodies. When replies are received from those officers, it is presumed that the replies they despatch are given under proper authority. Government cannot possibly undertake to ascertain in each case whether the authority has been properly exercised and whether a correct procedure has been followed. These are questions of the internal administration of these bodies with which Government are not concerned.

APPENDIX 51.

THE INDIAN FOOD AND DRUG ACT

No. 1127, dated Bombay, 3rd May 1928.

From Chamber to the Government of India Department of Education, Health and Lands, SIMLA.

The attention of the Committee of this Chamber has been drawn to the practice followed by a large number of Chemists and Druggists in India of stocking drugs of inferior quality for sale This has affected the Pharmaceutical Industry of this country to a great extent. Some of the manufacturers who do not possess a properly equipped laboratory and who can hardly be called manufacturers, are turning out inferior qualities for the purpose of increasing their sale. This is calculated to do great harm to the industry which is still in its infancy, and will bring it a bad name in course of time. The progress of the Pharmaceutical Industry will be greatly hampered unless some measures are immediately taken to deal with the malpractices prevalent in the business.

In every civilised country the sale of Food and Drugs is controlled by law but here in India there being no such restriction, the dealers in drugs are able to stock any quality they like. That there is a considerable demand in India for the cheapest kinds of drugs is generally admitted, and for this reason my Committee are of opinion that the introduction of a Food and Drugs Act in this country would be desirable from the point of view of both dealers and consumers, as some English and Continental firms are known to make a practice of wilfully adulterating their goods for shipment to India in response to the trade demand for such goods. To secure a share of the large Indian trade, some of the foreign houses in order to compete with other manufacturers, try to reduce the cost by giving short-weight, mis-description and adulteration. Formerly, in cities as well as villages medical

treatment was mostly available on Ayurvedic principles, but for the last 20 years or thereabouts, people have acquired increasing confidence in Western Medical Science and a number of Dispensaries and Hospitals have been opened and are being opened every year. Several colleges and schools have also been established for the promotion of medical education on Western lines, which is bound to spread more and more every day. When people are now being treated everywhere on Western Medical principles, it is but right, therefore, that the drugs to be administered to them should be according to the strength and quality prescribed by the Standard Pharmacopeas acknowledged by the Western Medical Profession.

The public safety is dependent upon the qualities of articles stocked for sale by the various dealers. Unfortunately, the drug business is gradually going into the hands of a class of people the majority of whom are ignorant of the essentials of Pharmacopeas. Owing to keen competition, some of the Druggists are tempted to stock inferior qualities, and in some cases even "commercial qualities" are palmed off to the ignorant customers. There are number of drugs which are not B. P. and many of them are labelled as crude or commercial. They are being sold in the Bazar, and are, therefore, available for inspection. The unscrupulous Druggists when indenting the drugs, specially ask the manufacturers to supply the cheapest possible quality as they know that practically any quality can be sold by them.

The same is the case with the medical preparations that are manufactured in this country. As soon as the Government granted a concession in duty on rectified Spirit that is employed in the manufacture of Medicinal Preparations, several Bonded Laboratories were opened for manufacturing Tinctures, Extracts, Spirits, Liquor, etc. Some of the manufacturers of these Pharmaceutical Preparations are not manufacturing them according to the recipe in the British Pharmacopea although they label their products as 'B. P.' They are deficient not only in alcoholic strength according to the B. P. Standard, but they do not also contain the quality of the active pirnciples of the crude drugs.

All these preparations are being used by the Medical Profession in the treatment of disease. It is inconceivable that any benefit can be derived by the poor patient if these preparations are not of the required standard. If the evil is to be combated, Druggists must be held fully responsible for the quality of the drugs stocked by them for sale to the public. Prescribing Doctors should also be very careful with regard to the quality handled by them in their dispensaries.

It is a serious state of affairs and, in the opinion of my Committee, it is high time Government should stop the adulteration of drugs, and the sale of any quality other than that prescribed by the Pharmacopeas for human consumption. The industry should have long ago been protected by law as the drugs imported, manufactured and sold are being administered to millions of people all over the county. My Committee, therefore, request that in view of the gravity of the problem, Government will be pleased to enact, as early as possible, legislation suitable to the country, on the basis of similar legislation now in force in other civilised countries.

No. 920 Health. Simla, the 25th May 1928.

From the Government of India Department of Education, Health and Lands, to Chamber.

I am directed to acknowledge receipt of your letter No. 1027, dated the 3rd May 1928 and to say that the question of the adoption of measures for the standardisation of the manufacture and sale of drugs in India is at present under the consideration of the Government of India.

APPENDIX 52.

THE INTEREST BILL BY MAULVI MAHOMED YAKUB.

No. 3351/2-B., Bombay Castle, 6th March 1928.

From the Government of Bombay Home Department, to Chamber.

Subject:—*Bill.* The Interest Bill by Maulvi Muhommad Yakub.

I am directed by the Governor in Council to forward herewith a copy of a Resolution of Government in this Department No. 3351/2, dated this day, and of its accompaniments regarding a Bill to limit the interest charged on loans of various kinds in British India, and to bring the law in conformity to the needs of the people, and to request that you will be so good as to favour Government with the opinion of the Indian Merchants' Chamber on the provisions of the Bill.

Bill.

The Interest Bill by Maulvi Mahammad Yakub.

GOVERNMENT OF BOMBAY.

HOME DEPARTMENT.

Resolution No. 3351/2.

Bombay Castle, 6th March 1928.

Letter from the Government of India in the Legislativ Department, No. F.—71-II/26-A., dated the 16th February 1928:—

"With reference to the Debates of the Legislative Assembly of the 9th February 1928, I am directed to forward herewith 100 copies of the papers noted below* and to request that the Governor in Council will favour the Government of India in this Department with an expression of his opinion on the provisions of the Bill, and with the opinions of the Honourable the Judges of the High Court and of such selected officers and other persons as the Governor in Council may think fit to consult on the subject.

*(1) The Interest Bill with Statement of Objects and Reasons by Maulvi Muhammad Yakub. (2) Extract from Legislative Assembly Debates, dated 9th February 1928, regarding the Bill.

"2. I am also to request that the Bill and Statement may be published in the *Bombay Government Gazette* in English and in such other languages as the Governor in Council may deem proper, and that the dates of such publication may be communicated in your reply.

"3. The reply to this letter should be sent in by the 1st June 1928."

RESOLUTION.—Copies of the foregoing letter from the Government of India and of its accompaniments should be forwarded to the High Court, the Court of the Judicial Commissioner of Sind, the Advocate General, Bombay, the Remembrancer of Legal Affairs, the Government Pleader, High Court, Bombay, the Bombay and Karachi Bar Associations, the Bombay, Vakils' Association, the Pleaders' Association of Western India, the Bombay Incorported Law Society, the Chamber of Commerce, Bombay, the Chamber of Commerce, Karachi, the Bombay Presidency Trades Association, the Indian Merchants' Chamber, Bombay, the Bombay Millowners' Association and the Buyers' and Shippers' Chamber, Karachi, with a request that they will favour Government with their views on the provisions of the Bill.

2. The High Court and the Court of the Judicial Commissioner of Sind should be requested to consult such selected District Judges, as they may think fit. The District Judges so selected should also consult their local Bar Associations.

3. The Bill with the Statement of Objects and Reasons should be forwarded to the Manager, Government Central Press, for publication in the *Bombay Government Gazette* and the Oriental Translator to Government for early translation into Marathi, Gujarati, Kanarese and Urdu. The translations should be forwarded to the Manager, Government Central Press, for publication in the *Bombay Government Gazette*.

4. The Commissioner in Sind should be requested to have the Bill with the Statement of Objects and Reasons published in the *Sind Official Gazette* both in English and Sindhi.

5. The Commissioner in Sind and the Manager, Government Central Press, should report to Government the dates on which the Bill with the Statement of Objects and Reasons and the translations are published in the Gazettes.

6. The opinions called for in foregoing paragraphs should reach Government not later than the 1st May 1928.

By order of the Governor in Council,

J. MONTEATH,

Secretary to the Government of Bombay,

Home Department.

A

BILL

to

Limit the interest charged on loans of various kinds in British India, and to bring the law in conformity to the needs of the people.

WHEREAS it is expedient to limit the interest charged on loans of various kinds in British India and to bring the law in conformity to the needs of the people; It is hereby enacted as follows:—

Short title, extent and commencement.

1. (1) This Act may be called the Interest Act, 19 .

(2) It extends to the whole of British India.

(3) It shall come into force on.....

Amount of interest.

2. No creditor, whether of a secured or unsecured loan, shall be entitled to recover interest, either payable at one time or by instalments, exceeding the principal amount originally lent or due at the date of suit, whichever is less.

Powers of Court to grant relief in case of excessive interest.

3. Notwithstanding anything hereinbefore said, where in any suit to which this Act applies, whether heard *ex parte* or otherwise, the Court has reason to believe—

(*a*) that the interest is excessive, and

(*b*) that the transaction was, as between the parties thereto, substantially unfair,

the Court may exercise all or any the following powers, namely, may—

(i) reopen the transaction, take an account between the parties and relieve the debtor of all liability in respect of any excessive interest;

(ii) notwithstanding any agreement purporting to close previous dealings and to create a new obligation, reopen any account already taken between them and relieve the debtor of all liability in respect of any excessive interest and, if anything has been paid or allowed in respect of such liability, order the creditor to repay any sum which it considers to be repayable in respect thereof;

(iii) set aside either wholly or in part or reverse or alter any security given or agreement made in respect of any loan, and if the creditor has parted with the security, order him to indemnify the debtor in such manner and to such extent as it may deem fit.

Principal in case of bonds executed for arrears.

4. In the case of a bond executed for arrears of principal and interest due on a prior bond, the principal for purposes of this Act is the principal of the perior bond.

5. Savings. This Act shall not apply to usufructuary mortgages.

6. Repeals. Provisions of other laws and regulations, so far as they are inconsistent with the provisions of this Act, are hereby repealed.

STATEMENT OF OBJECTS AND REASONS.

The Bill is designed to prevent the accumulation of interest for long periods and thereby save many a debtor from the clutches of covetous and clever creditors.

There is a rule in Hindu Law which is called *Damdoopat*. It is in operation in the Bombay Presidency, Berar and the town of Calcutta, but it is limited in its scope and is applicable only to Hindus. This rule cannot be taken as a purely religious law of the Hindu community; it is laid down only to safeguard the debtors' interests as the Hindu Law sanctions the taking of interest on loans. The Muslim *Shariat* has forbidden to take interests at all and so there could be no occasion for such emergency.. Under the circumstances of the heterogenous society of India, it is quite justifiable and necessary that the present Bill be passed for the benefit of a debtor irrespective of the caste, creed and colour. The present Bill is wider in its scope and is more in conformity to the incessant demands and needs of the people of India, and the creditor will not be able to ruin his debtor with his waiting game.

The words "by instalments" in clause 2 are added in order to safegurad against the contrivance on the part of the creditors to nullify the effect of the provisions of the Bill by recovering interest on a system of instalments. The clause 3 is embodied to prevent the creditors from making injudicious bargains and is taken from the Usurious Loans Act of 1928.

The Interest Act of 1839 (Act XXXII) and the Usury Repeals Act of 1855 (XXVIII), which are absloutely inconsistent with both the Hindu and Muhammadan Laws on the subject, were passed at a time when the Councils were devoid of Indian representation by their own people and have proved ruinous.

The Usurious Loans Act of 1918 although it gives power to Courts to curtail the rate of interest under certain circumstances and which is also not exercised duly yet provides no remedy to stop accumulation beyond a certain limit.

MUHAMMAD YAKUB.

The 15th November, 1926.

No. 974 Dated 19th April 1928.

From Chamber to the Government of Bombay, Home Department, BOMBAY.

I am directed to send to you hereby the views of the Committee of this Chamber regarding the above bill, in reply to your letter of the 6th March 1928, No. 3351/2-B.

My Committee recognise and appreciate the desire of Maulvi Mahammad Yakub to benefit debtors and to generally relieve this class of some of their hardships and inconveniences. Unfortunately like several other measures designed with the object of relieving the sufferings of the poorer and labouring classes, the measure in question is in the nature of a short-cut to the desired object. Such short-cuts, are found to be always dangerous, and instead of ameliorating the position of the people whom they are intended to benefit, they leave them from a practical point of view, in much worse a position than what they were in before.

It is mentioned in the Statement of Objects and Reasons that the Bill is designed to prevent the accumulation of interest for a long period and thereby save many debtors from the clutches of rapacious and clever creditors. It is based upon the principle of the Hindu Law, known as "Damdupat", which is in operation in the Bombay Presidency, Berar and the Town of Calcutta, though limited in its scope and applicable only to Hindus. My Committee apprehend that such a legislation instead of relieving the debtors will frighten away credit, and thereby great difficulty will be experienced in getting advances at all, or in getting existing loans renewed. To take an instance: if a man had a loan of say Rs. 10,000 at 10% interest, the interest would be equal to the capital in ten years. If the proposed legislation is to apply in such a case, the creditor will either foreclose or take stringent and severe measures for getting his loan back, as otherwise the interest will cease to run on the loan advanced after the expiry of 10 years. The Government cannot be unaware of cases which are happening of people purchasing outright lands of agriculturists rather than advance to them anything, through fear of the

operation of the Deccan Agriculturists Relief Act. The result, therefore, my Committee fear, of such a legislation will be that there will be a shortage of credit and greater stringency and severity on the part of creditors towards their debtors and there will not be possible that exercise of latitude which is generally shown to debtors in the payment of their debts. Specially will the adverse effects of the Bill be felt in commercial and business concerns where loans, and those too of big amounts, form a part of every-day occurrence. In these times of trade depression both banks and individual bankers as well as commercial houses are obliged to give considerable facilities to their debtors; otherwise the whole of the credit machinery might collapse as happened at the beginning of the war. Such a thing would not be possible under the operation of the proposed Bill and it is feared that there will be considerable change in the relations which exist between debtors and creditors at present, not at all to the advantage of the former.

The Bombay Presidency specially is a Province of trade and industries. There are concerns which have issued preference shares and debentures and my Committee wonder if the new Bill would not be applicable even to such an issue of preference shares and debentures, putting a stop thereby to any sort of financial accommodation and help to trade and industries. This is also a factor in the situation which must not be lost sight of by the Government.

Under the circumstances, my Committee are strongly opposed to the legislation proposed by Maulvi Mahmmad Yakub, and hope that the Bill will not be passed by the Legislature and that the Government of India will oppose its passage in the Assembly.

APPENDIX 53.

THE PRESIDENCY TOWNS INSOLVENCY ACT, 1909; PROPOSED AMENDMENT OF SECTION 69 (2).

No. 3993,2-B, Bombay Castle, 13th July 1928.

From the Government of Bombay, Home Department to Chamber.

Subject:—*Bill.*

Presidency Towns Insolvency Act, 1909; amendment of section 69 (2)'

I am directed by the Governor in Council to forward herewith a copy of a letter from the Government of India in the Home Department, No. 526/28-Judical, dated the 21st June 1928, and of its accompaniments regarding a proposal to amend section 69 (2) of the Presidency Towns Insolvency Act, 1909, in its application to Madras Presidency, and to request that you will be so good as to favour Government with the views of the Indian Merchants' Chamber, Bombay on the proposal as well as on the point whether the proposed legislation should be Central or Provincial.

No. F. 526/28-Judicial.

Government of India,

Home Department.

From

J. A. Shillidy, Esquire, I. C. S.,

Offg. Joint Secretary to the Government of India.

To

The Secretary to the Government of Bombay,

Home Department.

Simla, the 21st June 1928,

Subject:—Proposed amendment of Section 69 (2) of the Presidency Towns Insolvency Act, 1909.

Sir,

I am directed to forward, for the information of the Governor in Council, a copy of a letter from the Government of Madras, No.

1615, dated the 7th Monday 1928, a fits enclosures, regarding a draft bill to amend section 69(2) of the Presidency Towns Insolvency Act, 1909, in its application to the Madras Presidency, which the local Government propose to introduce in the local Legislative Council. The Government of India are disposed to think that, in the interests of uniformity, any such legislation for the amendment of the Act, if decided upon, should be undertaken in the Central Legislature. Before, however, coming to a decision, they would be glad to be favoured as early as possible with the views of his Excellency in Council together with those of the High Court and Judicial Commissioner's Court and any other authorities whom the local Government may wish to consult on the Madras Government's proposal as well as on the point whether the projected legislation should be central or provincial.

I have the honour to be,
Sir,
Your most obedient Servant,
Sd/-J. A. Shillidy,
Offg. Joint Secretary te the Government of India.

Copy of a letter from the Government of Madras, Law (General) Department to the Government of India, Legislative Department, No. 1615, dated the 7th May 1928.

Subject:—A Bill to amend the Presidency Towns Insolvency Act, 1909, in its application to the Presidency Town of Madras.

With reference to Section 80A(3)(h) of the Government of India Act, I am directed to enclose for the previons sanction of the Governor-General copy of the above Bill together with the Statement of Objects and Reasons. The need for such an enactment is explained in the Statement of Objects and Reasons. The Advocate-General, Madras, is of the opinion that the local legislature is competent to undertake the legislation. A copy of his opinion is enclosed. I am to add that the Bill is likely to be introduced at the meeting of the Legislative Council to be held in August or September next.

A Bill to amend the Presidency Towns Insolvency Act 1909, in its application to the Presidency town of Madras for a certain purpose.

Preamble; III of 1909.

Whereas it is expedient to amend the Presidency towns Insolvency Act, 1909, in its application to the Presidency town of Madras for the purpose hereinafter appearing;

And whereas the previous sanction of the Governor-General has been obtained to the passing of this Act;

It is hereby enacted as follows:—

Short title.

1. This Act may be called the Presidency-towns Insolvency (Madras Amendment) Act, 1928.

Amendment of Section 69 of Act III of 1909.

2. In sub-section (2) of section 69 of the Presidency Towns Insolvency Act, 1909, for the words "six months" the words "one year" shall be substituted.

STATEMENT OF OBJECTS AND REASONS.

The Examiner of Local Fund Accounts, Madras who audits the accounts of the Official Assignee, has brought to the notice of the Government that, in the majority of cases of insolvency, the Official Assignee omitted to obtain the previous sanction of the High Court for the non-distribution of the first dividend within six months after adjudication as required by sub-section (2) of section 69 of the Presidency-towns Insolvency Act, 1909. The Hon'ble the Judges of the High Court have expressed the opinion that this provision of section 69 of the Presidency-towns Insolvency Act, 1909, has proved in practice to be unworkable and that the defect can be remedied by amending the Act so as to extend the period of six months prescribed in sub-section (2) of the section 69 to one year. The Government have decided to adopt this proposal and the Bill is intended to give effect to this decision.

OPINION.

Ref :-Memorandum No, 3084 B/27-8, dated 23rd February 1928, Law (General) Department.

Presidency Towns Insolvency Act, 1909, Amendment of section 69-(2).

The point for consideration is whether the proposed amendment to section 69(2) of the Presidency Towns Insolvency Act (III of 1909), by substituting one year in the place of six months, may be made by the Local Legislature under section 80A(2) and 80A-(3)(h) and under the Previous Sanction Rules framed under sction 80A(3)(h) of the Gevernment of India Act, 1919.

The Previous Sanction Rules aforesiad mention, in the schedule appended thereto, the Presidency Towns Insolvency Act III of 1909 as one of the Acts which can be altered or repealed by the Local Legislature with the previous sanction of the Governor-General. The proposed amendment is to section 69(2) of the Presidency Towns Insolvency Act and is for extending the period of six months to one year within which the Official Assignee has to declare the first dividend (if any) and distribute the same after adjudication. As the law stands at present in cases where the Official Assignee is not able to declare the first dividend (if any) and distribute the same within six months after adjudication, he has to apply to the court (high court) for postponing the declaration to a later date, and the Court after being satisfied that there is sufficient reason, may grant the Official Assignee permission for declaring the dividend on a later date. Thus it will be seen, that the proposed amendment does not, in any way touch the power of the High Court but leaves the same in tact and only gives the Official Assignee a longer period within which time he should apply to the Court. Changing the period for making applications to the Court cannot be said to be really affecting the jurisdiction powers and authority of the Court within the meaning of section 106 of the Government of India Act, 1919.

The section of the Government of India Act 1919 dealing with the jurisdiction of High Courts is section 106. Schedule V

to the Act read with section 131(3) of the Act makes it clear that section 106 may be repealed or altered only by the Indian Legislature. It may be said that the proposed amendment offends section 106 and Schedule V of the Government of India Act 1919 as it in some way affects the power of the High Court, but if this view is to be upheld, then every amendment can be interpreted in this fashion and the result will be that the power given to the Local Legislature with regard to this Act will be of no avail under any circumstances. Some meaning and scope has to be given to section 80 A and the Previous Sanction Rules, and all the relevant provisions have to be read together. That being so, it seems to me that the Local Legislature will have power to make the proposed amendment.

I am on the whole of opinion that the amendment proposed to section 69(2) of the Presidency Towns Insolvency Act to extend the period of six months to one year within which the Official Assignee has to declare the first dividend and distribute the same; does not in any way really affect the power of the High Conrt and is not an infringement of section 106 and Schedule V of the Government of India Act, 1919, but comes within section 80A(2) and 80A(3)(h) and the Previous Sanction Rules of the Government of India Act, and as such is within the competence of the Local Legislature after obtaining the sanction of the Governor-General.

Sd./-C. V. Anantha Krishna Aiyer,
Advocate General.

Madras, 19th March 1928.

No. 1722, dated 31st July 1928.

From Chamber to the Government of Bombay, Home Department, BOMBAY.

With reference to your letter No. 3993-2-B, dated 13th July 1928, I am directed by my Committee to inform you that they approve of the proposal to amend Section 69(2) of the Presidency Towns Insolvency Act, 1909, in its application to Madras Presidency, and are of opinion that the proposed legislation be ntral and not Provincial.

APPENDIX 54.

BILL FURTHER TO AMEND THE INDIAN LIFE ASSURANCE COMPANIES' ACT, 1912.

Dated 12th September, 1928.

Telegram from Chamber to Sir Purshottamdas Thakurdas, Simla.

"Committee approve of principle underlying Bill to amend the Indian Life Assurance Companies' Act.

Mehta Inchamba."

No. 2887, dated 13th December, 1928.

From Chamber to the Government of India, Department of Commerce, New Delhi.

I am directed by the Committee of this Chamber to draw the attention of the Government of India to some defects in the legislation recently enacted for the regulation of Insurance Companies in the country.

Section 8, clause (1) of the said legislation requires a statement showing "in respect of premium income for which credit is taken in the revenue account the amounts of premium derived from business effected in India." This clause would not suffice to bring in all the required information from Insurance Companies. Suppose a Mill gives a premium of Rs. 25,000 on its entire risk to Company A. That Company will necessarily not retain the entire business but will either re-insure locally with other Companies and, or with Companies in England or elsewhere which have no branches working in India. As a result of this, Company A and other Companies working in India with whom Company A has re-insured will give the amounts of premium received by each of them in

their returns. As regards, however, the Companies which have no office in India and to which Company A will have given some business by way of re-insurance they will not submit their returns. Consequently, the full premium of Rs. 25,000 will not be shown in the returns submitted to Government. This, however, should be enforced and it can be done best by the amendment of Section 8 in such a manner that Company A will be required in its returns to give particulars of the premium which it has retained itself as also the premium it has given out to other Companies.

My Committee hope that the Government of India will realise the importance of such an amendment and bring forward an Amending Bill at an early opportunity. The Hon'ble the Secretary to the Government of India, Department of Commerce in his speech in the Council of State, promised that the question would be gone into at an early date and that Government would thoroughly examine the proposals of the Hon'ble Sir Phiroze Sethna (one of which was the amendment of Section 8), and that they would undertake amending legislation at the earliest opportunity if they found that the Bill was seriously defective. My Committee trust that such an amending Bill will be introduced at the time of the forthcoming Delhi Session.

No. 36-I (13), New Delhi, the 17th January, 1929.

From the Government of India, Department of Commerce, to Chamber.

In reply to your letter No. 2887, dated the 13th December 1928, I am directed to say that steps have been taken to ascertain the amount of re-insurance effected with companies not operating in British India; and when the facts have been ascertained, the question of amending section 8(1) of the Indian Insurance Companies Act, 1928, in the sense suggested by the Hon'ble Sir Phiroze Sethna in the Council of State on 21st September 1928, will be carefully considered in accordance with the undertaking then given by the Commerce Secretary.

APPENDIX 55.

BILL TO AMEND THE INDIAN MERCHANT SHIPPING ACT, BY MAULVI ABDUL MATIN CHAUDHURY.

(Re: Establishment of Employment Bureau to engage or supply seamen for merchant ships in India.)

No. 491/943/M., Bombay Castle, 14th May, 1928.

From the Government of Bombay, Marine Department, to Chamber, Bombay.

Subject :—Indian Merchant Shipping Act

Bill to amend-by Maulvi Abdul Matin Chaudhury.

I am directed by the Governor in Council to forward herewith a copy of Government Resolution No. 491/943, dated the 14th May, 1928, and to request that you will be so good as to favour Government with the views of your Chamber not later than the 12th June 1928, on the provision of the Bill appended to it.

INDIAN MERCHANT SHIPPING ACT.

Bill to amend—by Maulvi Abdul Matin Chaudhury.

Government of Bombay, Marine Department, Resolution No. 491/943, Bombay Castle, 14th May 1928.

Letter from the Government of India, Legislative Department, No. F-143-1-27-A, dated the 31st March, 1928 :—

"With reference to the Debates of the Legislative Assembly of the 22nd March 1928, I am directed to forward herewith copies of

1. The Indian Merchant Shipping (Amendment) Bill with Statement of Objects and Reasons by Maulvi Abdul Matin Chaudhury.
2. Extract from Legislative Asembly Debates of the 22nd March 1928, regarding the Bill.

the papers noted on the margin and to request that the Governor in Council will favour the Government of India in this Department with an expression of his opinion on the provisions of the Bill, and with the opinions of the Honourable the Judges of the High Court and of such selected officers and other persons as the Governor in Council may think fit to consult on the subject.

"2. I am also to request that the Bill and Statement may be published in the *Bombay Government Gazette* in English and in such other languages as the Governor in Council may deem proper, and that the dates of such publication may be communicated in your reply.

"3. The reply to this letter should be sent in by the 1st July 1928."

Resolution.—Copies of the letter from the Government of India and accompaniments* should be forwarded to the Chief Justice and Judges of His Majesty's High Court of Judicature, Bombay, the Shipping Master, Bombay, the Commander in Sind, the Political Resident, Aden, and the Remembrancer of Legal Affairs and they should be requested to favour Government with their opinions on the provisions of the Bill. The Shipping Master, Bombay, the Commissioner in Sind and the Political Resident, Aden, should also forward to Government with their remarks the opinions of the Shipping and other commercial interests concerned on the draft Bill.

2. Copies of the letter and communications should also be forwarded to the Chamber of Commerce, Bombay, the Chamber of Commerce, Karachi, the Indian Merchants' Chamber, Bombay, the Buyers' and Shippers' Chamber, Karachi, and the Indian Seamen's Union, Bombay, for their remarks.

3. The opinions called for should be submitted so as to reach Government in the Marine Department by the 12th June 1928, at the latest.

4. The Manager, Government Central Press, should be requested to print the Bill with the Statement of Objects and Reasons in the **Bombay Government Gazette.** The Oriental Translator to Government should be asked to translate them into Marathi, Gujarati, Urdu and Kanarese. and to forward the translations to the Manager, Government Central Press, for publication in the **Gazette.** The Commissioner in Sind should be requested to take similar action with regard to Sind. The date of publication in the **Bombay Government Gazette** and the **Sind Official Gazette** should be reported to Government.

By order of the Governor in Council.

(Sd.) A. H. DRACUP,
Under Secretary to Government.

G. R., M.D., No. 491/943, dated the 14th May 1928.

A

BILL

Further to amend the Indian Merchant Shipping Act, 1923, for certain purposes.

Whereas it is expedient further to amend the Indian Merchant Shipping Act, 1923, for the purposes hereinafter appearing; It is hereby enacted as follows:—

Short title and commencement.

1. (1) This Act may be called the Indian Merchant Shipping (Amendment) Act, 192.

(2) It shall come into force on such date as the Governor General in Council may, by notification in the Gazette of India, appoint.

2. For section 24 of the Indian Merchant Shipping Act, 1923 (hereinafter referred to as the said Act), the following shall be substituted, namely :—

Substitution of new section for section 24, Act XXI of 1923.

"24. (1) Employment Bureau shall be established and maintained, at the ports of Calcutta and Bombay and such other ports as the Governor General in Council may deem necessary, to engage or supply seamen for merchant ships in British India.

(2) For every such Bureau, there shall be a Bureau Officer with such Deputy Bureau Officers, clerks, and servants (if any) as the Governor General in Council may consider necessary."

3. In section 25 of the Act,—

Amendment of section 25, Act XXI of 1923.

(i) in sub-section (1), for the words "either holds a licence under this Act for the purpose," the words "is the Bureau Officer or Deputy Bureau Officer" shall be substituted; and the words "or is bona fide the servant and in the constant employ of the owner" shall be omitted;

(ii) in sub-section (2), for the words "either holds a licence under this Act for the purpose" the words "is the Bureau Officer or Deputy Bureau Officer" shall be substituted; and the words "or is bona fide the servant and in the constant employment of the owner" shall be omitted;

(iii) in sub-section (4), for the word "hundred" the word "thousand" shall be substituted; and the words "and, if a licensed person, shall forfeit his license" shall be omitted.

4. In sub-section (2) of section 26 of the said Act, for the words "a fine of fifty rupees" the words "a sentence of rigorous imprisonment which may extend to two years", shall be substituted; and

Amendment of section 26, Act XXI of 1923.

the words "and, if a licensed person, shall forfeit his license" shall be omitted.

STATEMENT OF OBJECTS AND REASONS.

The present system of recruitment of seamen through the licensed brokers and ghat serangs and ghat butlers, which pre-eminently lends itself to extensive practice of bribery and corruption, has been unreservedly condemned by the Seamen's Recruitment Committee, appointed by the Government of India in 1922. The Committee recommended the abolition of the present system and its substitution by the Employment Bureau, organised and maintained, either by the representative associations of ship-owners and seamen in co-operation or by the State, as suggested in the draft Convention for establishing facilities for finding employment for seamen, framed and adopted by the General Conference of the International Labour Organisation of the League of Nations, in its Session at Geneva in June 1920. This Bill is intended to give effect to the unanimous recommendation of the Committee for the establishment of the Employment Bureau by the State and the abolition of the system of recruitment through the licensed brokers, ghat serangs and ghat butlers. The penal provisions with regard to the receipt of unauthorised remunerations for securing employment for seamen has been further stiffened in accordance with the recommendations of the Committee.

The 1st July, 1927. ABDUL MATIN CHAUDHURY.

Extract from the Legislative Assembly Debates, Vol. I, No. 34.

The Assembly met in the Assembly Chamber of the Council House, New Delhi, on Thursday, the 22nd March, 1928.

* * * * * * *

THE INDIAN MERCHANT SHIPPING (AMENDMENT) BILL.

Maulvi Abdul Matin Chaudhury (Assam: Muhammadan): Sir, I move that the Bill to amend the Indian Merchant Shipping

Act, 1923, for certain purposes, be circulated for the purposes of eliciting opinions thereon.

In moving this motion, Sir, I have no desire of making any long speech. I shall explain very briefly my reasons in support of my motion. I think, Sir, I can say without the least exaggeration that the Indian seamen are most exploited body of workers in India. It may come to Honourable Members as a surprise to know that when a seaman is engaged for a voyage for a year he is required to pay three months' salary as a bribe to the intermediary, when he is engaged for three months, he is required to pay one month's salary as a bribe, and the Government knows it. In the year 1922 Government appointed a Committee—the Indian Seamen's Recruitment Committee. Mr. Clow was its Chairman and it included on it a shipowner representative like Sir Frank Carter and a labour leader like my friend Mr. Joshi. That Committee, Sir, condemned the present system of recruitment as systematized extortion and they were unanimously of the opinion that :

" this system has led to grave abuses which no mere amendment of detail would satisfactorily remove."

They have come to the conclusion that :

" it is imperative to introduce an entirely new system which does not involve the employment of intermediaries. It is clear that if the brokers and ghat serangs are no longer to be employed, arrangement must be made to carry out the duties at present entrusted to them. The Committee point out that this can only be effected by the organisation of employment bureaux."

My Bill, Sir, simply aims at giving effect to that recommendation of the Committee. I expected that instead of my moving this Bill Government would come forward with their own Bill to give effect to the recommendations of a Committee appointed by them. But for reasons, Sir, which are best known to Government they are keeping silent over it and this has compelled me to introduce this Bill.

Sir, I move.

The Honourable Sir George Rainy (Member for Commerce and Railways) : I wish to speak very briefly as regards the

Bill the circulation of which has been proposed by the Honourable the Mover. Government have no objection whatever to the circulation of the Bill, and they think it will serve a useful purpose because we hope that it will elicit what the real facts are with which we have to deal. We have been trying, without legislation, in Calcutta during the last three or four years to bring about an improvement in the state of affairs disclosed by the report of the Committee over which Mr. Clow presided. The latest information we have from the Local Government is that there has been a distinct improvement, and that the abuses of which complaint was made do not prevail to anything like the same extent as they did formerly. I am aware that that view is challenged by some Members of this House, and I think it will serve a very useful purpose if we obtain full reports as to the state of affairs both in Calcutta and in Bombay, for it is only in these two ports that the recruitment of Indian seamen is carried out on a large scale. When the opinions of the Local Governments and others who are interested in the subject are received, then it will be time to consider whether legislation ought to be undertaken on the lines of this Bill. All I should like to say by way of a warning is that I am a little afraid that there may be great practical difficulties in working an employment bureau of the kind suggested. I will not weary the House with details of that, because the House is not asked at the moment to pronounce any opinion about it, but I should like, in order to make plain the attitude of the Government, to say only this much that there are serious practical difficulties and I am not prepared to say at the moment that they could be overcome.

Mr. President: The question is;

"That the Bill to amend the Indian Merchant Shipping Act, 1923, for certain purposes, be circulated for the purpose of eliciting opinions thereon."

The motion was adopted.

No. 1436, dated 20th June 1928.

From Chamber to the Government of Bombay, Marine Department, Bombay.

I am directed to acknowledge receipt of your letter No. 491/943/M., dated 14th May 1928, and submit the views of my Committee on the subject referred to therein, as under :.—

My Committee are fully in agreement with the objects and reasons of the Bill under reference. The establishment of an Employment Bureau by the State is bound to prove a great improvement on the present system of recruiting seamen. My Committee would like to emphasise, however, the necessity of appointing Indians as Bureau Officers, because these officers will have to deal with Indian seamen. Indian Officers will naturally be in a better position to appreciate the real needs of Indian seamen, and it is necessary, therefore, to ask for the appointmrnts of Indians only to these posts. If the Employment Bureau is placed in non-Indian hands, the main object of the Bill is liable to be defeated. Subject to this reservation, my Committee approve of the Bill under reference.

APPENDIX 56.

BILL TO AMEND THE INLAND STEAM VESSELS ACT, 1917, BY MR. K. C. NEOGY.

No. 94/409/M., Bombay Castle, 9th March 1928.

From the Government of Bombay, Marine Department, to Chamber.

Subject :—Inland Steam Vessels Act, 1917;
Bill to amend by Mr. K. C. Neogy.

I am directed by the Governor in Council to forward herewith a copy of Government Resolution No. 94/409, dated the 9th March

1928, and to request that you will be so good as to favour Government with the views of your Chamber, not later than the 20th April 1928, on the provisions of the Bill appended to it.

INLAND STEAM VESSELS ACT, 1917.

Bill to amend—by Mr. K. C. Neogy.

Government of Bombay, Marine Department, Resolution No. 94/409, Bombay Castle, 9th March 1928.

Letter from the Government of India, Legislative Department, No. F.101-1/27-A, dated the 21st February 1928:—

"With reference to the Debates of the Legislative Assembly of the 9th February 1928 I am directed to forward herewith 100 copies of the papers noted on the margin and to request that the Governor in Council will favour the Government of India in this Department with an expression of his opinion of the Honourable the Judges of the High Court and of such selected officers and other persons as the Governor in Council may think fit to consult on the subject.

1. The Inland Steam Vessels (Amendment) Bill with Statement of Objects and Reasons by Mr. K. C. Neogy.
2. Extract from Legislative Assembly debates, dated 9th February 1928 regarding the Bill.

"2. I am also to request that the Bill and Statement may be published in the Bombay Government Gazette in English and in such other languages as the Governor in Council may deem proper and that the dates of such publication may be communicated in your reply.

"3. The reply to this letter should be sent in by the 1st June 1928."

Resolution.—Copies of the letter from the Government of India and accompaniments should be forwarded to the Honourable the

Chief Justice and Judges of His Majesty's High Court of Judicature, Bombay, the Port Officer, Bombay, the Commissioner in Sind, the Commissioners of Divisions, the Political Resident, Aden, the Collector of Salt Revenue and the Remembrancer of Legal Affairs and they should be requested to favour Government with their opinions on the provisions of the Bill. The Commisssioners of Divisions should submit their reports after consulting the Collectors of such of the coast districts in their Divisions as one likely to be interested in the proposed amendment. The Port Officer, Bombay, the Commissioner in Sind, the Political Resident, Aden, and the Collector of Salt Revenue should also forward to Government with their remarks the opinions of the Shipping and other commercial interests concerned on the draft Bill. The Collector of Salt Revenue should be requested to submit his report through the Revenue Department.

2. Copies of the letter and accompaniments should also be forwarded to the Chamber of Commerce, Bombay, the Chamber of Commerce, Karachi, the Indian Merchants' Chamber, Bombay and the Buyers' and Shippers' Chamber, Karachi for their remarks.

3. The opinions called for should be submitted so as to reach Government in the Marine Department by the 20th April, 1928, at the latest.

4. The Manager, Government Central Press, should be requested to print the Bill with the Statement of Objects and Reasons in the **Bombay Government Gazette.** The Oriental Translator to Government should be asked to translate them into Marathi, Gujrati, Urdu and Kanarese, and to forward the translations to the Manager, Government Central Press, for publication in the **Gazette.** The Commissioner in Sind should be requested to take similar action with regard to Sind. The dates of publication in the **Bombay Government Gazette** and the **Sind Official Gazette** should be reported to Government.

By order of the Governor in Council.

A. H. DRACUP,
Under Secretary to Government.

A Bill further to amend the Inland Steam Vessels Act, 1917.

Whereas it is expedient further to amend the Inland Steam Vessels Act, 1917 ; It is hereby enacted as follows :—

Short title and commencement.

1. (1) This Act may be called the Inland Steam Vessels (Amendment) Act, 1927.

(2) It shall come into force on the first day of January, 1928.

Insertion of new sections 54 A Ind 54 B in Act I of 1917.

2. In Chapter VI of the Inland Steam Vessels Act, 1917, after section 54, the following sections shall be inserted, namely :—

Maximum and minimum freights and fares to be fixed.

"54 A. The Governor General in Council may, by notification in the Gazette of India, prescribe the maximum and minimum rates of freights and fares which it shall be lawful for the owner of an inland steam vessel to charge for the conveyance of goods and passengers.

Advisory Committees.

"54 B. The Local Government may make rules for the appointment Advisory Committees to advise the owner of an inland steam vessel on questions affecting the interests of passengers, and may prescribe by rules the constitution and functions of such Committees."

STATEMENT OF OBJECTS AND REASONS.

The control exercised by Government over inland steam vessels carrying on goods and passenger service in this country does not extend to fixing the rates at which they can levy charges on the public. Virtually in the position of monopolists, the inland steamer organisations enjoy unfettered freedom in this matter. In Bengal and Assam where they supply very considerable facilities for transport, their charges are considered to be unduly high. There has been for somtime a good deal of local public agitation against this state of things, but to no effect. It seems reasonable that, when Government exercise a certain amount of control over Railways owned and managed by private

companies, in the matter of regulation of freights and fares, similar control should be assumed in respect of inland steam vessels also. It is proposed in this Bill to invest Government with authority to fix minimum and minimum freights and fares that can be lawfully charged by inland steamer services, on the analogy of similar authority in regard to Company-managed Railways. While the maximum rates would protect the public against exorbitant demands, the minimum scales to be fixed under the Bill would prevent unfair ratewars which have the past defeated indigenous efforts at organising inland steamer service in competition with powerful combines in Bengal.

A second provision in this Bill is to enable Advisory Committees to be constituted and attached to the inland steamer concerns at different important stations, more or less on the lines of Railway Advisory Councils. As matters stand at present, the agents of the monopolist companies running inland steamer services are not in touch with public opinion, and do not pay adequate attention to the grievances of the travelling public.

The 23rd December, 1926. K. C. NEOGY.

No. 1055, dated 25th April, 1928.

From Chamber, to the Government of Bombay, Marine Department Bombay.

With reference to Bill to amend the Inland Steam Vessels Act, a copy of which has been sent to this Chamber for an expression of our opinion therein, I am desired by the Committee of this Chamber to say, that we concur with the three fundamental principles of the Bill as stated in the Statement of Objects and Reasons, namely—

1. Prevention of unfair rate wars by which the non-Indian companies have in the past defeated indigenous efforts at organising Inland Steamer Services in India.
2. Prevention of exploitation of the public by monopolistic concerns in the matter of freights and fares.
3. Appointment of Advisory Committees.

With regard to No. 1 that is the development of Indian shipping in the Inland Waterways of this country, my Committee are of opinion that this question is practically on all fours with the development of Indian shipping in the Coastal Trade of India, a subject on which the Indian Mercantile Marine Committee appointed by the Government of India have made definite recommendations. My Committee, therefore urge that the principle of the Reservation of the Coasting Trade to Indian Vessels as recommended by that Committee should be adopted in the case of Indian Navigation as well. As a matter of fact this subject of Internal River Traffic has been touched upon by the Marine Committee themselves, but they could not make a definite recommendation on the subject as it was outside the scope of their terms of reference. My Committee, however, feel justified in stating that there is reason to believe that had Inland River Navigation formed the subject matter of the Indian Mercantile Marine Committee, their recommendation on the subject would have been similar to those they have made in connection with the Coastal Trade of India.

My Committee, therefore, propose that with a view to attain the main object of the Bill, the Navigation of the Rivers of India for purposes of traffic should be reserved to ships, the ownership and controlling interests of which are predominantly Indian. As the Mercantile Marine Committee themselves state, "This qualification should be held to have been fulfilled if a ship conforms to the following conditions :—

(a) That it is registered in India.

(b) That it is owned and managed by an individual Indian, or by a joint stock company (public or pricate) which is registered in India with rupee capital, with a majority of Indians on its Directorate and a majority of its shares held by Indians,

and

(c) That the management of such company is predominantly in the hands of Indians."

As is well-known the Indian Mercantile Marine Committee have suggested the adoption by Government of a system of liecenses by which the condition recommended by them are to be enforced. My Committee would similarly recommend, that with reference to Inland River Traffic, licenses should be issued to ships engaged therein.

In the opinion of my Committee the method proposed by them is more certain of developing the participation of Indian shipping in Inland Navigation than the method of fixing minimum rates proposed in the Bill and they trust, therefore, that the same will be adopted by both the Mover of the Bill and the Government of India as unlike the minimum rate system, the method suggested by us has the full support of a competent Committee.

With regard to the monopolistic exploitation of the public, my Committee are of opinion that the goal will be reached by vesting the Licensing Authority, as recommended by the Indian Mercantile Marine Committee, with the necessary power to dea with the question of Rebates and other methods adopted by shipping monopolies to maintain their hold.

As regards the appointment of Advisory Committees, my Committee wholeheartedly support the idea as the Committees will enable the Inland Shipping Comopanies to come into direct touch with their clientele.

APPENDIX 57.

EMPLOYMENT OF WOMEN UNDERGROUND IN MINES:— DRAFT REGULATIONS RE:

No. 1940, Bombay, the 7th July, 1928.

From the Director of Information and Labour Intelligence (Labour Office) Bombay, to Chamber.

SUBJECT :—The prohibition of the Employment of Women underground in Mines.

I have the honour to forward herewith copies of (1) the Government of India, Department of Industries and Labour Notification No. M.-1055, dated the 14th June, 1928, and, (2) Government of India Circular letter No. M-1055(2) dated the 16th June 1928 with accompaniments to Local Governments on the above subject. I am aware that very few women are employed in underground workings in this Presidency but, nevertheless, I shall be glad to know if your Association would desire to offer any views on the draft regulations of the Government of India on the above subject. I shall be obliged if you will please arrange to forward your reply with the views of your Association so as to reach this office on or before the 1st September 1928.

DEPARTMENT OF INDUSTRIES AND LABOUR.

Notification.

N. M.-1055, Simla, the 14th June 1928.

The following draft of regulations which it is proposed to make in exercise of the powers conferred by section 29 of the Indian Mines Act, 1923 (IV of 1923), is published as required by sub-section (1) of section 31 of that Act for the information of all per-

sons likely to be affected thereby and notice is hereby given that the said draft will be taken into consideration on or after the first day of October, 1928. Any objection or suggestion which may be received from any person in respect of the draft before the date specified will be considered by the Governor General in Council.

Draft Regulations for prohibiting the employment of women underground in Mines.

1. These regulations shall come into effect at once.

2. In these regulations—

(1) "exempted mine" means :

(a) coal mines in Bengal, Bihar and Orissa and the Central Provinces ;

(b) salt mines in the Punjab ;

in which women were employed in underground working during any part of the year 1926.

(2) "Underground workings" comprises any part of a mine situated beneath the superjacent ground, and includes vertical shafts provided for access to, or for the ventilation of such workings.

3. On and after the 1st day of April 1929, no woman shall be permitted to enter or remain in the underground workings of any mine unless—

(a) she has the express permission of the Chief Inspector, or.

(b) in the case of an exempted mine, she has upon her person prominently displayed a valid token issued under regulation 4 and bearing the name of that mine.

4. The Chief Inspector shall, before the 31st day of March in each of the years 1929 to 1938 inclusive, issue to the Manager of each exempted mine metal tokens bearing the name of the mine, a serial number and the number of the year in which the tokens are issued.

5. The number of tokens bearing the year number 1929 so issued in respect of each mine shall be equal to the daily average number of females employed underground as entered in the statutory return of that mine relating to persons employed during the year ending the 31st December 1926, or, in respect of any mine for which no return was made, to the average number of females estimated by the Chief Inspector to have been so employed during the year 1926 The number of tokens issued bearing the year numbers 1930, 1931, 1932, 1933, 1934, 1935, 1936, 1937 and 1938 shall be the integer nearest to 90 per cent., 80 per cent., 70 per cent., 60 per cent., 50 per cent., 40 per cent., 30 per cent., 20 per cent., and 10 per cent., respectively, of the number of tokens issued bearing the year number 1929.

6. Every token issued under regulation 4 shall be valid from the 1st day of April of the year borne on the token up to the 31st day of March in the following year.

7. Token which have been lost will not be replaced.

8. Every token issued under regulation 4 shall remain the property of Government and shall be returned to the Chief Inspector within one month from the date on which it ceased to be valid.

A. G. CLOW,

Secretary to the Govt. of India.

No. M.-1055(2', dated Simla, the 16th June 1928.

GOVERNMENT OF INDIA.

DEPARTMENT OF INDUSTRIES AND LABOUR.

From A. G. Clow, Esq., C.I.E., I.C.S., Secretary to the Government of India, to the Governments of Madras, Bombay, the United Provinces, the Punjab, Burma, and Assam.

Subject :—The prohibition of the employment of women underground in mines.

Sir,

I am directed to invite a reference to correspondence ending with you letter

No. 1572, dated the 29th October 1923

No. 8485-G., dated the 10th November 1923

No. 120-B., dated the 9th January 1924

No. 331-139-144332, dated the 24th November 1923

No. 256-E., dated the 14th January 1924

No. 2163-R., dated the 31st August 1923

and to forward copies of a notification relating to the exclusion of women from employment in underground workings in mines. The effect of the regulations appended to this notification, if these are finally promulgated in their present form, will be to prohibit absolutely the employment of women in underground workings in

Madras,

Bombay,

the United Provinces,

The Punjab (except in the salt mines,)

Burma,

Assam,

from the begining of April 1929. The draft regulations involve no fresh restriction on the employment of women in open qaurries

or on those parts of a mine which do not extend beneath the superjacent ground. The Government of India are anxious that the terms of the notification should be brought to the notice of any who may be interested and they will be glad to receive any comments which the local Government desire to offer on the proposals not later than the 15th October 1928.

2. I am also to enclose for the information of the local Government a copy of a letter which has been addressed to the Governments of Bengal, Bihar and Orissa and the Central Provinces.

I have the honour to be,

Sir,

Your most obedient servant,

A. G. CLOW,

Secretary to the Government of India.

No. M.-1055(1), dated Simla, the 16th June 1928.

GOVERNMENT OF INDIA.

DEPARTMENT OF INDUSTRIES AND LABOUR.

From A. G. Clow, Esq., C.I.E., I.C.S., Secretary to the Government of India, to the Governments of Bengal, Bihar and Orissa and the Central Provinces.

Subject :—The prohibition of the employment of women underground in mines.

Sir,

I am directed to forward for the views of the local Government a copy of the notification issued by this Department No. M.-1055, dated the 14th June 1928, publishing for criticism, in accordance with section 31 (1) of the Indian Mines Act, 1923, draft regulations for prohibiting the employment of women underground in mines. The original draft of these regulations was referred through the local Governments concerned to the Mining Boards in May 1927

with this Department letter No. M.-1055 of 20th May 1927, a copy of which is enclosed. The Government of India have re-examined the question in the light of the opinions received in reply to that letter and they consider that the time is now opportune for the initiation of measures designed to lead within a specified period to the exclusion of women from work underground in mines.

2. After considering the opinions of the Mining Boards and certain other opinions received in response to their letter, the Government of India have modified the draft regulations in certain directions. In the first place, they have advanced the date from which the proposed system will come into effective operation from 1st July 1928 to 1st April 1929. In the second place, they have extended the period during which women are to be gradually excluded from the exempted mines from seven to ten years. The longer period now suggested should, in their view, make for the smoother operation of the proposed system. A further argument in favour of this extension is afforded by the fact that in a number of mines the female labour force is subject to seasonal fluctuations. The figures for 1929 will be based not on the maximum number of women employed at any time in 1926, but on the average for that year; and where this average differs appreciably from the maximum, the result will be a reduction in the number available for the busy season which is not likely to be made good during the slack season. Thus the introduction of the system should see, in many cases, an immediate reduction in the extent to which female labour can be employed. The smaller annual percentage reductions, now suggested will have a compensatory effect.

3. The third change which has been made consists of an alteration in the system by which tokens are to be issued for exempted mines. Under the original proposals of the Government of India, all the tokens required for the period during which women were being gradually withdrawn from those mines were to be issued before the system came into operation, and they were to be valid up to differing dates indicated on the tokens. An obvious objection to this system was that, as it would be almost impossible to devise any satisfactory system of replacing lost tokens, the loss

of a token might mean the loss of the labour of a woman for a period of several years. Under the system now embodied in the draft regulations, tokens will be issued annually and will be available only for a single year. The loss of a token consequently can mean at the most the loss of a woman's work for a portion of a year.

4. The Government of India recognise, however, that this does not eliminate the objections that can be advanced to the token system, which is bound to result in some contraction of the available labour force over and above the reduction intended to result from the regulations. It will be impossible in many cases to prevent women from leaving the mines with tokens; and the loss of tokens, the abandonment of employment by women who have tokens in thier possession and the irregular attendance of such women will combine to reduce a steady, if small, reduction throughout the year in the number of available tokens. In addition, the women themselves may object to the wearing of tokens and to the close examination necessary to satisfy an Inspector that a valid token is being worn.

5. A possible alternative would be to prescribe merely that the number of women employed in an exempted mine should not exceed a specified number in each year, this number being a percentage (decreasing by 10 per cent. in each year) of the average number employed in 1926, *i.e.*, it would be equivalent to the number of tokens whose issue is contemplated by the proposed regulation 5. The great advantage of such a system would be that the management would be always in a position to employ the maximum number of women which the regulations permit; and there would be no risk of obstruction from the women themselves. The obvious objection to any proposal of this kind is that it enhances the difficulty of preventing infringements of the regulations. The presence of a woman underground without a token is a fact that can easily be established; and under the draft regulations as they now stand, it would only be necessary for the Inspectorate to establish this fact to secure a conviction. Under the alternative system outlined above, it would be necessary for an Inspector to

satisfy himself (and a Court) that there were at the time of his inspection more women in the mine than the regulations allowed; and for this purpose the enumeration of a number of women would be essential. This would be a matter of considerable difficulty in some cases. On the other hand, it may be urged that it would be unfair to institute a prosecution merely because a women was found without a token; women would get in without tokens despite the utmost vigilance and the absence of a token would often be accidental. It would in most cases be unsound to prosecute unless there was evidence that women were being employed to a greater extent than the regulations contemplated; and to secure this evidence some check of the number in the mine would be necessary in any case. It seems possible that, by means of the records at present maintained and vigilant inspection, the officers responsible for administering the Act, may be able without a system of tokens to prevent any systematic evasion of the law.

6. The proposed regulations will affect only women who are employed in underground workings. Work in quarries or in the open workings of mines will be subject to no new restrictions. The authority granted to the Government of India by the legislature is limited to the further regulation of women's labour either below ground or on particular kinds of labour of a dangerous character. Employment in open workings cannot ordinarily be described as "attended by danger to the life, safety or health" of women, and even if the Government of India had the power to exclude women from such employment, the utilisation of such a power would, in their view, be unjustifiable in present circumstances. The considerations which apply to the exclusion of women from underground work, as set out in the enclosed letter on the subject, have no close bearing on the employment of women in mining work which is carried on in the open air.

7. The Government of India would be glad to receive the views of the local Government and of those interested in the subject on any points arising out of the proposed regulations. In particular they will welcome all suggestions relating to the method

to be adopted to control the exclusion of women from exempted mines, and any opinions on the merits of the alternative systems discussed in paragraphs 4 and 5 of this letter. I am to request that a reply may be sent so as to reach the Government of India not later than 15th October 1928.

I have the honour to be,

SIR,

Your most obedient servant,

A. G. CLOW,

Secretary to the Government of India.

——:o:——

Letter to the Government of Bengal, Bihar and Orissa and the Central Provinces, No. M.-1055, dated the 29th May 1927.

I am directed to forward a draft of regulations under section 29(j) of the Indian Mines Act, 1923, for prohibiting the employment of women underground in mines and to request that the Government of India may be favoured with the views of the Mining Board, as required by section 31(3) of the Act and of the local Government upon them.

2. Local Governments were asked for their views on the proposal for discontinuing the employment of women in mines in this Department's letter No. M.-665, dated the 22nd June 1923. While the proposal to prohibit the employment of women below ground was supported by the majority of the local Governments it met with opposition from the provinces principally affected, *viz.*, Bengal, Bihar and Orissa and the Central Provinces. The Government of India recognize the force of the arguments advanced against the proposal. The number of women employed underground the mines in these provinces is comparatively high and the prohibition of such employment, particularly in the main coalfields where women form about 38 per cent., of the labour force, will involve a serious contraction of the labour supply which is by no means abundant in ordinary years. A demand for increased wages on

the part of the male labour force is a probable result and the prosperity of the industry will possibly be adversely affected for the time being at any rate. Further, in addition to the natural opposition of mine owners, Government may have to face some opposition from the miners to the exclusion of their women.

3. But these considerations, important as they are, do not, in the opinion of the Government of India, outweigh the serious objections to the indefinite continuance of the employment of women underground. The physical conditions in the majority of Indian coal mines are no longer such as to make it desirable that women should be employed in them. In only a very small percentage of such mines is there any arrangement for artificial ventilation. The workings are growing, on an average, steadly deeper and more extensive; temperatures are in consequence increasing gradually and in many mines humidity is very high. The use of explosives has greatly increased of recent years and the risks run by women in mines are increasing. In 1925, 38 women were killed in mining accidents, and the number injured every year must be large. The character of the work and the conditions under which it is done make it undesirable that women's employment underground should be continued for longer than is necessary to enable the industry to adjust itself to the new conditions. Public opinion in India, apart from those directly interested, is strongly in favour of the exclusion of women. The principle that women should not be allowed to work underground in mines has long been accepted in nearly all civilized countries and there are no sufficient reasons for continuing in India a practice generally abandoned elsewhere. Nor are the economic arguments entirely on one side. The exclusion of women has the support of a number of those persons closely acquainted with mining conditions, who hope that it will tend to an increase in the efficiency of labour: and there is reason to believe that the employment of women in large numbers tends to lower rather than to raise the standard of living of the average miner. Further, the fact that the reform is desirable in principle and inevitable, sooner or later, is recognised even by those who are opposed to any immediate steps being taken.

This being the case, the question resolves itself into one of time and the points for consideration are:—

(1) Is the present time suitable for the initiation of the reform ?

(2) What time should be allowed for the complexion of any programme for exclusion, if it is adopted ?

4. As regards the first question, there is no reason to believe that further delay will make the problem appreciably more simple. The demand for labour, in the coal industry at any rate, is now less keen than it has been for some years and the present time is therefore, in some respects, particularly suitable for taking the first step. It is quite possible that a change in conditions may result in a large increase in the demand for labour which would reinforce the opposition and would increase the dislocation to industry involved in the exclusion of women.

5. As regards the second question, it is recognised that so far as it concerns the coalfields in Bengal, Bihar and Orissa and the Central Provinces, any measure for the exclusion of women must be gradual in their operation. The summary exclusion of women would result in a very serious dislocation to the industry and the enforcement of a measure of this kind would arouse the maximum of opposition and might prove completely impracticable. In the Khewra salt mine, which is the principle salt mine in the Punjab, the conditions of labour are admittedly exceptional and the proportion of women employed is large and it is proposed to apply the principle of gradual exclusion to the Punjab salt mines. In these mines, *viz.*, coal nines in Bengal, Bihar and Orissa and the Central Provinces and the Punjab salt mines it is proppsed to exclude women by annual instalments covering a period of seven years beginning with 1st July 1929. The method which it is proposed to adopt to regulate the instalments is explained in the draft regulations. Elsewhere there appears to be no serious obstacle to the exclusion of all women on a specified date and the Government of India propose to prohibit underground work for women in all but the specially excepted mines from 1st July 1928.

6. As regards the employment of women above ground or in open quarries, the majority of the local Governments accept the view that there is no greater objection to such employment than to employment on ordinary earth work. The Government of India do not propose to impose any fresh restrictions on the employment of women above ground.

Draft Regulations for Prohibiting the Employment of Women Underground in Mines.

1. These regulations shall have effect from the 1st day of July 1928.

2. In these regulations—

(1) " exempted mine " means :

(*a*) coal mines in Bengal, Bihar and Orissa and the Central Provinces ;

(*b*) salt mines in the Punjab ;

in which women were employed in underground workings during any part of the year 1926.

(2) " Underground workings " comprises any part of a mine situated beneath the superjacent ground, and includes vertical shafts provided for acess to, or for the ventilation of, such workings.

3. No woman shall be permitted to enter or remain in the underground workings of any mine unless—

(*a*) she has the express permission of the Chief Inspector or

(*b*) in the case of an exempted mine, she has upon her person prominently displayed a valid metal token issued under regulation 4 and bearing the name of that mine.

4. Before the 1st day of July 1928, the Chief Inspector shall issue to the Manager of each exempted mine metal tokens bearing

the name of the mine, a serial number, and the year number prescribed by regulation 5. The number of tokens so issued in respect of each mine shall be equal to the daily average number of females employed underground as entered in the statutory returns relating to person employed during the year ending the 31st December 1926, or, in respect of any mine for which no such return was made, to the average number of females estimated by the Chief Inspector to have been so employed during the year 1926.

5. Of the tokens issued in respect of each mine ten per cent. shall bear the year number 1929, and the remainder shall be divided into six equal parts bearing the year numbers 1930, 1931, 1932, 1923, 1934 and 1935, respectively;

6. Every token issued under regulation 4 shall be valid up to and on the 30th June of the year borne on the token, and shall thereafter cease to be valid.

7. Valid tokens which have been lost will not be replaced.

8. Every token issued under regulation 4 shall remain the property of Government and shall be returned to the Chief Inspector within one month from the date on which it ceased to be valid.

——: o :——

No. 1990, dated 1st September, 1928.

From Chamber to the Director of Information and Labour Intelligence (Labour Office).

With reference to our letter No. 1940, dated 7th July 1928, I am directed to inform you that my Committee approve of the draft regulations of the Government of India regarding the above, but would further suggest that it should begin with the elimination of female labour in mines of depths exceeding 300 feet.

APPENDIX 58.

THE INDIAN WORKMEN'S COMPENSATION ACT AMENDING BILL.

No. 264/D, Bombay Castle, 29th October 1928.

From the Government of Bombay, General Department, to Chamber.

I am directed by the Governor in Council to forward herewith a copy of Government Resolution No. 264, dated the 29th October 1928, and to request that you will be so good as to furnish the Director, Labour Office, with the views of your Chamber by the prescribed date.

Workmen's Compensation Act, 1923.—Amendments to—

Government of Bombay, General Department.

Resolution No. 264, Bombay Castle, 29th October 1928.

Letter from the Government of India, Legislative Dpartment, No. T.-111-1-28-A, dated the 4th October 1928.—

"With reference to the Debates of the Legislative Assembly of the 21st September 1928, I am directed to forward herewith copies of the papers noted on the margin and to request that the Governor in Council will favour the Government of India in this Department with an expression of his opinion on the provisions of the Bill, and with the opinion of the Honourable the Judges of the High Court and of such selected officers and other persons as the Governor in Council may think to consult on the subject.

1. The Workmen's Compensation (Amendment) Bill with Statement of Objects and Reasons.
2. Extract from Legislative Assembly Debates dated 21st September 1928, regarding the Bill.

"2. I am also to request that the Bill and Statement may be published in the **Bombay Government Gazette** in English and in such other languages as the Governor in Council may deem proper, and that the dates of such publication may be communicated in your reply.

"3. The reply to this letter should be sent in by the 2nd January 1929."

Resolution.—Copies of the letter from the Government of India and accompaniments should be forwarded to the Honourable the Chief Justice and Judges of His Majesty's Court of Judicature, Bombay, the Commissioner in Sind, the Commissioners of Divisions, the Commissioner, Workmen's Compensation, Bombay, the Collector of Bombay, the Director of Industries, the Director, Labour Office, the Shipping Master, Bombay, the Chairmen, Bombay and Karachi Port Trusts, the Municipal Commissioner for the City of Bombay, the Chief Officer, Bombay Improvement Trust, and to the bodies and Associations addressed below and they should be requested to favour Government with their replies by the 5th December at the latest. The Director, Labour Office, and Registrar of Trade Unions is authorised to consult such other bodies as he may consider necessary. The replies should be addressed to the Director, Labour Office, who should consolidate them and submit them to Government with a draft letter to the Government of India as soon as possible.

2. The Bill, with the statement of objects and reasons, should be punlished in the **Bombay Government Gazette** and the Manager, Government Central Press, should be asked to supply 300 spare copies to this Department.

3. The Oriental Translator to Government should be requested to arrange for the translation of the Bill, with the statement of Objects and Reasons, into Marathi, Gujrati, Kanarese and Urdu and forward the translations to the Manager, Government Central Press, for publication in the Gazette.

4. The Commissioner in Sind should be requested to print the Bill, with the statement of Objects and Reasons, together with the Sindhi translation in the **Sind Official** *Gazette*.

5. The Manager, Government Central Press, and the Commissioner in Sind should be requested to intimate to Government the dates on which the Bill and the translations are printed in the Gazettes.

By order of the Governor in Council,

A. H. DRACUP,

Under Secretary to Government.

G.R., G.D., No. 264, dated the 29th October 1928.

A

BILL

Further to amend the Workmen's Compensation Act, 1923, for certain purposes.

Whereas it is expedient further to amend the Workmen's Compensation Act, 1923, for cetain purposes hereinafter appearing; It is hereby enacted as follows:—

1. This Act may be called the Workmen's Compensation (Amendment) Act, 192 .

Short title.

2. In sub-section (1) of section 2 of the Workmen's Compensation Act, 1923 (hereinafter referred to as the said Act),—

Amendment of Section 2, Act VIII of 1923.

(*a*) after clause (*i*), the following clause shall be inserted, namely:—

"(*ii*) 'railway servant' means a person employed upon a railway in connection with the service thereof by the railway administration or by a person fulfilling a contract with the railway administration"; and

(*b*) in sub-clause (*i*) of clause (*n*), the words "as defined in section 3 of the Indian Railways Act, 1890" shall be omitted.

3. In the proviso to sub-section (1) of section 3 of the said Act, the word " or " at the end of clause (*b*) and the whole of clause (*c*) shall be omitted.

Amendment of section 3, Act VIII of 1923.

4. (*1*) Section 5 of the said Act shall be renumbered as sub-section (*1*) of section 5, and in that sub-section as so re-numbered—

Amendment of section 5, Act VIII of 1923.

(*i*) clause (*b*) shall be re-lettered as clause (*c*), and after clause (*a*) the following clause shall be inserted, namely :—

" (*b*) where the workman has been in the service of th employer during a continuous period of less than one month immediately preceding the accident, his monthly wages shall be deemed to be the average monthly amount which, during the twelve months immediately preceding the accident, was being earned by a workman employed on the same work by the same employer or, if there was no person so employed, by a workman employed on similar work in the same locality ;"

(*ii*) in the proviso, for the words and letters clause (*a*) or clause (*b*) ", and in the **Explanation** for the words " this section," the words " this sub-section " shall be substituted.

(*2*) To the same as so re-numbered the following sub-section shall be added, namely :—

" (*2*) The provision of sub-section (*1*), other than the proviso, shall apply to the calculation of wages for the purposes of clause (*n*) of sub-section (*1*) of section 2 and of sub-section (*3*) of that section."

5. In section 8 of the said Act,—

Amendment of section 8, Act VIII o 1923.

(*a*) for sub-sections (*1*) to (3) the following sub-sections shall be substituted, namely:—

"(*1*) No payment of compensation in respect of a workman whose injury has resulted in death, and no payment of a lump sum as compensation to a minor, shall be made otherwise than by deposit with the Commissioner, and no such payment made directly by an employer to any dependant of a deceased workman, or to any such minor, shall be deemed to be payment of compensation.

(2) Where any lump sum is payable as compensation to a woman or a person (other than a minor) under any legal disability, the Commissioner may, of his own motion or on an application made to him in this behalf, direct that such sum be deposited with him on behalf of such woman or person, and when such direction has been made, no payment thereafter made directly to such woman or person shall be deemed to be a payment of compensation.

(*3*) Any other sum amounting to not less than ten rupees which is payble as compensation may be deposited with the Commisssioner on behalf of the person entitled thereto.

(*4*) The receipt of the Commissioner shall be a sufficient discharge in respect of any compensation deposited with him";

(*b*) sub-section (*4*) shall be re-numbered as sub-section (*5*), and in that sub-section after the words "under sub-section (*1*)" the words "as compensation in respect of a deceased workman" shall be inserted; and

(*c*) sub-section shall be re-numbered as sub-section (9), and for sub-section (*5*) the following sub-sections shall be substituted, namely:—

"(6) Compensation deposited in respect of a deceased workman shall, subject to any deduction made

under sub-section (*5*), be apportioned among the dependants of the deceased workman or any of them in such proportion as the Commissioner thinks fit, or may, in the discretion of the Commissioner, be allotted to any one dependant.

(7) Where any compensation deposited with the Commissioner is payable to any person, the Commissioner shall, if the person to whom the compensation is payable is not a person under a legal disability, and may, in other cases, pay the money to the person entitled thereto.

(*8*) Where any lump sum deposited with the Commissioner is payable to a woman or to a minor or other person under a legal disability, such sum may be invested, applied or otherwise dealt with for the benefit of the woman, or of such minor or other person, as the case may be, during his disability, in such manner as the Commissioner may direct; and where a half-monthly payment is payable to any person under a legal disability, the Commissioner may, of his own motion or on an application made to him in this behalf, order that the payment be made during the disability to any dependant of the workman or to any other person whom the Commissioner thinks best fitted to provide for the welfare of the workman."

6. To section 23 of the said Act after the words "material objects" the following words shall be added, namely :—

"and the Commissioner shall be deemed to be a Civil Court for all the purposes of section 195 and of Chapter XXXV of the Code of Criminal Procedure, 1898."

7. In sub-section (1) of section 28 of the said Act,—

(a) for the words "to a person under a legal disability" the words "to a minor or to a person under a legal

disability otherwise than by reason of age" shall be substituted;

(b) clause (b) of the proviso shall be omitted; and

(c) in clause (d), for the words "to a person under any legal disability" the words "to any minor or any person under a legal disability otherwise than by reason of age" shall be substituted.

8. In Schedule II to the said Act,—

Ammendment of Schedul 11, Act VIII of 1923.

(1) for clause (v) the following clause shall be substituted, namely:—

"(v) employed for the purpose of loading, unloading, fuelling, constructing, repairing, demolishing, cleaning or painting any ship; or"

(2) in clause (vii), after the words "electric cable" the words "or post or standard for the same" shall be inserted; and

(3) after clause (ix) the following clauses shall be added, namely:—

"or

(x) employed as an inspector, mail guard sorter or van peon in the Railway Mail Service; or

(xi) employed, in connection with operations for winning natural petroleum or natural gas, as a rig-builder, driller, driller's helper, oil-well puller, or in bailing or cleaning oil-wells or putting in and taking out casings or drill pipes in oil-wells; or

(xii) employed in any occupation involving blasting operations."

9. In Schedule IV to the said Act, for the words and letters "clause (a) or clause (b)" the word and figure "sub-section (1)" shall be substituted.

STATEMENT OF OBJECTS AND REASONS.

The Workmen's Compensation Act, 1923, came into force on the 1st July 1924. Since then a number of amendments have suggested themselves or have been proposed by Commissioners for Workmen's Compensation and Local Governments. Some of the latter proposals involve the modification of the principles underlying the present Act or of its more important features. So far as these are concerned, the Government of India consider it advisable to consult Local Governments and the public generally before forming conclusions. For the present it is proposed to limit the revision of the Act to the amendment of those sections or parts of sections which are admittedly defective and to the introduction of changes which are likely to raise no important controversial points and which will be generally recognised as improvements. The proposed amendments are explained in the Notes on Clauses below.

Notes on Clauses.

Clause 2.—The definition of 'workman' in existing section 2 (1) (n) of the Act includes persons who are employed by a Railway administration in connection with the service of a railway, but excludes persons employed in similar work by a person fulfilling a contract with a Railway administration. It was never intended that contractors' employees should be outside the scope of the Act on Railways; they come within the Act in all the other classes of employment to which the law extends. The amendment seeks to remove an obvious defect in the law.

Clause 3.—Compensation to workmen employed in the contruction, repair or demolition of a building or bridge was originally restricted on grounds of expediency to cases of death and permanent total disablement as it was feared that any general application of the Act to the building trades might lead to administrative difficulties. Experience of the working of the Act has shown that no such result need be anticipated, especially in view of the restrictions imposed by clause (vi) of Schedule II of the Act. The amendment seeks to remove the discrimination contained in the

existing proviso (c) to sub-section (1) of section 3 of the Act against such workmen.

Clause 4.—(1) Cases have been reported in which the application of the existing section 5 (b) gives results which are wide of the true average wages in the case of workmen whose period of service immediately preceding the accident is less than a month. The amendment seeks to remove this anomaly.

(2) The existing section prescribes the manner in which the monthly wages of a workman shall be calculated for the purpose of section 4. The amendment is designed to extend the same method to the calculation of wages for the purposes of clause (n) of sub-section (1) of section 2 and of sub-section (3) of that section.

Clause 5.—Sub-section (1) of section 8 as at present worded is liable to misinterpretation. The amendments seeks to clarify the real intention which is that all payments to dependants of the deceased workman must be made through the Commissioner and not directly to the dependants. The opportunity has been taken to provide that any lump sum payable as compensation to a minor should also be paid similarly through the Commissioner. The revised section further provides for :—

(a) the protection of lump sums payable to a woman or to a person (other than a minor) under any legal disability,

(b) the prevention of deposits of trivial amounts, and

(b) the investment of sums payabls as compensation to women.

It is also proposed to remove the apparent inconsistency between the existing sub-section (5) and the existing sub-section (2) and between sub-section (1) which might be read as requiring the Commissioner to pay the full sum to a dependant, and sub-section (4) which enables him to deduct funeral expenses.

Clause 6.—The amendment is designed to vest Commissioners with the same powers in respect of the prosecution of persons for perjury as are possessed by Civil Courts generally.

Clause 7.—The existing sub-section (1) of section 28 provides **inter alia** for the registration of agreements which settle the compensation payable to persons under legal disability. The provision is not necessary in the case of persons who are over 15 years of age and suffer from no other legal disability; the Act treats such persons as adults for purposes of compensation. The amendment also provides for the repeal of proviso (b) which has in practice remained a dead letter.

Clause 8.—(1) The application of the Workmen's Compensation Act to dock labourers, etc., is governed partly by existing clause (v) of Schedule II of the Act and partly by a notification issued by the Go vernor General in Council under section 2(3) of the Act. The two provisions are not entirely consistent, as the former applies only to places where steam, water or other mechanical power or electrical power is used, whereas the latter imposes no such restriction. The revised clause consolidates the provisions of the existing clause (v) and of the notification and eliminates the condition relating to the use of power. The revised clause will now include all persons employed for the purpose of loading, unloading, fuelling, constructing, repairing, demolishing, cleaning or painting a ship irrespective of the place where the ship may be.

(2) The amendment to clause (viii) of this Schedule is designed to include in the scope of the Act persons employed in setting up, repairing, maintaining or taking down a post or standard supporting an overhead electric cable. Persons employed in setting up, etc., posts supporting telegraph and telephone lines are already included in the existing clause (vii), and the omission of the former class of persons was unintentional.

(3) Certain classes of workmen who have been brought within the scope of the Act by notifications issued under sub-section (3) of section 2 of the Workmen's Compensation Act have also been included in the Schedule.

The 15th August 1928. A. C. McWATTERS.

Extract from the Legislative Assembly Debates, Vol. III, No. 14.

The Assembly met in the Assembly Chamber, Simla, on Friday, the 21st September 1928.

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THE WORKMEN'S COMPENSATION (AMENDMENT) BILL.

The Honourable Mr. A. C. McWatters (Member for Industries and Labour): Sir, I move that the Bill further to amend the Workmen's Compensation Act, 1923, for certain purposes, be circulated for the purpose of eliciting opinions thereon. This Bill, Sir, as I explained on an earlier occasion, is merely an attempt to correct certain defects which we have discovered in the working of this Act during the four years in which it has been in operation. They are mainly suggestions made by the Commissioners of Workmen's Compensation, and for one of them, that relating to the extension of the Act to workmen employed by contractors on railways, we are indebted to a suggestion made by my Honourable friend Mr. Joshi in our Standing Advisory Committee. On the more general question of considering whether the Act as a whole needs revision in matters of wider principle we are simultaneously addressing Local Governments. Local Governments have not yet been consulted on these details, although, as I have said, the Commissioners for Workmen's Compensation in some of the provinces have been; but in a Bill of this kind it is desirable that the Local Governments and the public should be consulted.

Sir, I move.

The motion was adopted.

No. 2781, dated 6th December 1928.

From Chamber to the Government of Bombay, General Department, Bombay.

With reference to your letter No. 264/D, dated 29th October, 1928, on the above subject, I am directed to send hereby the views of my Committee:

My Committee generally approve of the various amendments sought to be introduced in the Act.

With regard to amendment of section 2, however, they think that the same is not desirable. The insertion of the proposed clause after clause (1) of sub-section (1) of Section 2 will make the extent of the definition of Railway servants too wide, for not only the employees of the contractors will come under the definition but even their sub-contractors would be treated as Railway servants. Surely this cannot be the intention of the proposed amenment. Futher, it does not stand to reason that a sub-contractor should be held to be a workman within the definition of the Act. Contractors' employees, if employed on Railway works, would under the amended clause get compensation even though they may be drawing salaries of more than Rs. 300/- per month, to which they would not be entitled if they were employed by the same contractor on works other than Railway works. This is obviously anomalous, and my Committee are, therefore, opposed to the same.

APPENDIX 59.

INDIAN MERCHANDISE MARKS ACT, 1889:—

A Bill, to further amend the.

No. 317-G/28, Bombay Castle, 16th March, 1928.

From the Government of Bombay, Revenue Department, to Chamber.

I am directed by the Governor in Council to forward a copy of Government Resolution No. 317/28, dated 16th March 1928

and to request that Government may be favoured with the opinion of your Chamber on the provisions of the Bill further to amend the Indian Merchandise Marks Act, 1889.

2. The reply to this reference may, please, be forwarded so as to reach Government not later than 25th April, 1928.

Indian Merchandise Marks Act, 1889; A Bill further to amend the—.

Government of Bombay, Revenue Department.

Resolution No. 317/28, Bombay Castle, 16th March 1928.

Letter from the Government of India, Legislative Department, No. F.-102-I/27-A, dated 21st February 1928 :—

"With reference to the Debates of the Legislative Assembly of the 9th February 1928, I am directed to forward herewith 100 copies of the papers noted on the margin and to request that the Governor in Council will favour the Government of India in this Department with an expression of his opinion on the provisions of the Bill, and with the opinions of the Honourable the Judges of the High Court and of such selected officers and other persons as the Governor in Council may think fit to consult on the subject.

1. The Indian Merchandise Marks (Amendment) Bill with Statement of Objects and Reasons by Mr. K. C. Neogy.
2. Extract from Legislative Assembly debates dated 9th February, 1928 regarding the Bill.

"2. I am also to request that the Bill and Statement may be published in the **Bombay Government Gazette** in English and in such other languages as the Governor in Council may deem proper, and that the dates of such publication may be communicated in your reply.

"3. The reply to this letter should be sent in by the 1st June, 1928."

Memorandum from the Legal Department No. B.-Mercand Marks, x dated 28th February, 1928.

Resolution.—Copies of the letter from the Government of India and of its accompaniments should be forwarded to the High Court, the Commissioner in Sind, the Commissioners of Divisions, the Collector of Bombay (Industries Department) and the Remembrancer of Legal Affairs with the request that they will favour Government with their opinion on the provisions of the Bill not later than 25th April 1928.

2. Copies of the Bill and of the extract from the Legislative Assembly Debates should also be forwarded to the Chambers of Commerce, Bombay and Karachi, the Indian Merchants' Chamber, Bombay, the Karachi Indian Merchants' Association, the Buyers and Shippers Chamber, Karachi, the Bombay Presidency Trades Association, the Bombay Native Piece-goods Merchants' Association, the Millowners'Associations, Bombay and Ahmedabad, and the Marwari Chamber of Commerce for favour of opinion on the provisions of the Bill, and they should be requested to send their replies to Government not later than 25th April, 1928.

3. The Bill with the Statement of Objects and Reasons should be forwarded to the Manager, Government Central Press, for publication in the **Bombay Government Gazette.** The Oriental Translator to Government should be requested to translate the Bill and the Statement of Objects and Reasons into Marathi, Gujarati and Kanarese and to forward the translations to the Manager, Government Central Press, for publication in the **Bombay Government Gazette.**

4. The Commissioner in Sind should be requested to arrange for the publication in the **Sind Official Gazette** of the Bill and the Statement of Objects and Reasons both in English and in Sindhi.

5. The Commissioner in Sind and the Manager, Government Central Press, should be requested to report to Government the

* Copy appended to this Resolution.

dates on which the Bill with the Statement of Objects and Reasons and the translations are published.

By order of the Governor in Council.

A. E. SERVAI,

Acting Under Secretary to Government.

G. R. No. 317/28, R. D., dated the 16th March 1928.

A BILL

Further to amend the Indian Merchandise Marks Act, 1889.

Whereas it is expedient further to amend the Indian Merchandise Marks Act, 1889, for the purpose hereinafter appearing; It is enacted as follows:—

Short title and commencement.

1. (1) This Act may be called the Indian Merchandise Marks (Amendment) Act, 1927.

(2) It shall come into force on the first day of January 1928.

Insertion of new section 12 A in Act IV of 1889.

2. After section 12 of the Indian Merchandise Marks Act, 1889, the following section shall be inserted, namely:—

Indication of local origin of imported goods.

"12 A. (1) The Governor General in Council may, by notification in the *Gazette of India*, prescribe the kind, description or class of goods brought into British India to which a trade description giving the place or country in which they were made or produced shall be applied.

(2) The Governor General in Council may, after previous publication, make regulations, either general or special prescribing—

(*a*) the form in which the trade description shall be applied;

(*b*) the manner in which the trade description shall be applied, whether by a mark to be placed upon the goods, or in some other manner; and

(*c*) the time or occasion when the trade description shall be applied, and, in particular, whether the trade description shall be applied on importation only, or also on sale of the goods, either by wholesale or retail, in British India.

(3) If a person who is required under this section to apply a trade description to any goods fails to do so or contravenes any regulation made under sub-section (2), he shall be punished in the same manner as if he had been guilty of applying a false trade description to goods."

STATEMENT OF OBJECTS AND REASONS.

There is no provision in the existing law in India which can compel the application of a trade description to imported goods. The result is that articles made in foreign countries, without any indication as to their local origin, are sometimes palmed off as Indian manufactures. It is a well known fact that a kind of piece-goods especially manufactured abroad is sometimes sold in India as hand-woven **Khaddar**. Again, cheap hosiery, particularly cotton under-shirts, are imported from Japan without any trade description and sold in this country as local manufacture. In such cases, the local origin of goods should be indicated so as to prevent fraud on the consumers, and protect some of the struggling industries of India from unfair competition. It is proposed in this Bill to arm the Governor General in Council with power to specify any imported goods in respect of which the importer, or the wholesale or retail dealer, shall be called upon to affix a trade description giving the place of origin thereof. It may be mentioned that the provisions are mainly adapted from the recommendations of a Departmental Committee of the British Government regarding legislative action in the United Kingdom in the interest of certain Empire or British Goods.

The 23rd December, 1926. K. C. NEOGY.

Extract from the Legislative Assembly Debates, Vol. I, No. 5.

The Assembly met in the Assembly Chamber of the Council House, New Delhi, on Thursday, the 9th February, 1928.

* * * * * * *

THE INDIAN MERCHANDISE MARKS (AMENDMENT) BILL.

Mr. K. C. Neogy (Dacca Division : Non-Muhammadan Rural): I beg to move that the Bill further to amend the Indian Merchandise Marks Act, 1889, be circulated for the purpose of eliciting opinions thereon.

The Indian law of 1889 is based more or less on the English Statue of 1887, but we have not kept pace with the progress of legislation in the country of its origin. All that the present legislation in India requires in regard to trade descriptions on imported goods, is that if any indication of the place of origin of any imported goods is given thereon it must be a correct description, and penalties are provided in case any incorrect description is attached to any article. There is no authority in the existing law to require the application of any trade description to any article which might be imported. This state of affairs was not considered to be satisfactory in England, with the result that a departmental committee was appointed by the British Government to consider this question. The report of this committee was available in 1920 and I drafted my Bill on the lines of the report of that committee. The legislation which resulted from this report in England was passed as late as December 1926. The principle which this legislation has sought to give effect to is that every consumer is expected to give some sort of preference to the home product if the price and quality of the home product do not compare unfavourably with the price and quality of any foreign manufacture; and in order that the consumer may exercise this choice he has a right to know as to where a particular article is made. This is more or less the principle that was laid down by the Imperial Economic Conference

too. Now, my measure is a mere permissive measure which would enable Government to prescribe the kinds or classes of articles in which such a requirement should be laid down, that is to say, in which the trade description, including the place of origin should be compulsorily given. Apart from the analogy of the English law, there are two specific cases of unfair competition that came to my notice and which prompted me in bringing forward this measure. The first was the case of foreign manufactured cotton piece goods that were passed off as genuine Indian-made **khadar** during the early days of Mahatma Gandhi's movement in favour of country-made **khadar.** We have evidence that large quantities of cotton piece goods came not only from Japan but also from America, and were palmed off on Indians as hand-woven and hand-spun **khadar.** So long as there is no trade mark applied to these articles of merchandise the conditions of the present legislation are fulfilled. Similarly, in the case of the Indian hosiery industry, it has come to my notice that that industry has been suffering from unfair competition owing to the fact that Japan, taking advantage of India's preference for home manufactured hosiery articles, has been sending out hosiery goods from that country in boxes which bear no label giving any indication of the place of origin. I have in my hand a cardboard box in which Japanese hosiery articles generally come to this country. It bears no stamp of the place of origin, no letter press on any side to indicate the place from which the articles come. With the exception of a rather cryptic number given inside the lid there is nothing absolutely on it of the nature of any letter press. Now, Sir, a gentleman who had studied this question with some amount of care actually demonstrated in my presence that underneath this blank sheet of paper which covers the lid of this box there is concelled a Japanese trade mark; and in this particular case he just moistened the covering paper of the lid and took it off, with the result that the Japanese trade mark was revealed. Sir, this shows that there is some positive advantage to be gained by Japan by thus obliterating her own trade mark, and that advantage I maintain is being gained by the Japanese at the cost of the Indian manufacturer.

Now, Sir, I do not think I need say anything more on the present occasion to commend this motion to the acceptance of this House. I feel sure that the Government will be in sympathy with me so far as the present motion at least is concerned, because I do not want anything beyond the eliciting of opinions on this modest proposal of mine. Comparing my Bill with the English Act I find that the English Act is a much more comprehensive measure. I had not the advantage of seeing the English Act when I drafted this Bill because, as I have said, the English Bill had not then been introduced. If therefore the Government feel that a more comprehensive measure is needed, well, I should be perfectly happy to withdraw my measure at any stage in favour of a more comprehensive Government measure; but I think that if this Bill is taken to a Select Committee, all the improvement that is needed might be effected there, obviating the necessity of any Government Bill in future. But for the present I am only seeking to circulate the Bill for eliciting opinions thereon.

The Honourable Sir George Rainy (Member for Commerce and Railways): It will not be necessary, Sir, I think that I should say more than a very few words about this Bill. As regards the Bill itself on its merits for the present Government of India reserve their opinion, but they have not the least objection to the circulation of the measure in order to elicit public opinion. When those opinions are received from Local Governments and from others, the Government of India will take them into consideration, and will then be in a position to formulate their views on the whole subject. The Honourable Mover of the motion suggested that possibly the Government of India might think it fit to deal with the question of merchandise marks in a more comprehensive manner and might desire themselves to introduce a Bill thereon. Well, of course we do not know what the opinions we are going to get on this subject will be. It is conceivevable that they might suggest the desirability of attempting something more. All I can say is that at present I have not been able to find sufficient reasons for undertaking as a Government measure a more ambitious scheme, and unless something new emerges in the course of the discussions

on this Bill, I do not think it is likely that the Government of India will take the course suggested.

I should like to add only one word more as regards this Bill itself. The Bill proposes to empower the Government of India to make regulations about applying trade descriptions to goods, not only at the time of importation, but also at the time of sale. Well there is always a difficulty in this country when it is proposed to lay down elaborate regulations as to the conditions to be observed at the time of sale. It is easy enough to enforce any regulations that are thought suitable at the time of importation, because we have our customs staff to see to it. But at the time of sale in the innumerable markets up and down this immense country, if we had to provide an adequate establishment to enforce regulations of this kind it might be found that the task was too great and we could not attempt it. I mention this point not as an objection to the Bill, but as a point that I hope Local Governments and others will take into consideration when they give their opinions. I do not think, Mr. President, I need add more at this stage.

Mr. President : The question is :

"That the Bill further to amend the Indian Merchandise Marks Act, 1889, be circulated for the purpose of eliciting opinions thereon."

The motion was adopted.

No. 1071, dated 28th April 1928.

From Chamber to the Government of Bombay, Revenue Department, BOMBAY.

With reference to your letter No. 317-G/28, dated the 16th March 1928, I am directed to send the following views of my Committee on the above Bill :—

My Committee have for the last few years realised the urgent necessity of amending the Indian Merchandise Marks Act for checking frauds in connection with some imported articles and specially piecegoods. So far back as 1922, they had drawn the attention

of the Government of India to the fact that some English dhoties, for want of a stamp showing the country of origin, were being sold in this country as Indian dhoties. My Committee had at that time suggested that the Merchandise Marks Act, should be amended to the effect that all goods made in the United Kingdom should have a stamp showing their country of origin. It is, therefore, gratifying to note that the Bill under reference has been introduced in the Legislative Assembly with a view to amend the Merchandise Marks Act to some extent in the same direction. While approving of the Bill, my Committee are of opinion that a Bill of a more far-reaching character is necessary. In the proposed Bill the power is vested in the Governor General in Council, to call upon the importer or the wholesale or retail dealer to affix a trade description giving the place of origin thereof whenever the Governor General in Council thinks it necessary. This will not meet adequately with the requirements of the situation. My Committee are of opinion that the compulsory indication of the place and country of origin on all imported goods should be provided in the Bill. With a view to facilitate the incorporation of such a wholesome provision in the Bill, I am directed by my Committee to suggest hereby clauses which would achieve the desired end :

(1) For Section 10 sub-section (1) the following sub-section shall be substituted namely—

> 10(1)—For Clause (1) of Section 18 of the Sea Customs Act, 1878, the following shall be substituted namely :—
>
> (d) Goods having applied thereto a counterfoil trademark within the meaning of the Indian Penal Code or a false trade description within the— meaning of the Indian Merchandise Marks Act, 1889.
>
> (e) Goods made or produced beyond the limits of British India unless such goods and any covering label reel or other thing in which or to which the said goods are placed enclosed or annexed, have

a definite indication applied thereto as having been made or produced in a place and country beyond the limits of British India and shown thereon in large and conspicuous letters."

(2) Omit sub-section 3 of Section 19 A of the Sea Customs Ac of 1878 as amended by Section 11 of the Merchandise Marks Act IV of 1889."

It is hoped that the Government will be pleased to make the proposed measure comprehensive by getting the clauses suggested by my Committee imcorporated in it.

APPENDIX 60.

TRADE MARK REGISTRATION IN INDIA.

No. 630-G/28, Bombay Castle, 6th July 1928.

From the Government of Bombay, Revenue Department to Chamber.

Subject:—*Trade Marks*; Registration of-in India.

I am directed by the Governor in Council to forward a copy of a letter from the Prothonotary and Registrar, Original Jurisdiction, His Majesty's High Court, Bombay, No. 405, dated 10th April 1928 and to request that Government may be favoured with the views of your Chamber on the proposal made therein.

Copy of the letter from the Prothonotary and Registrar, Original Jurisdiction, His Majesty's High Court, Bombay, No. 405, dated 10th April 1928.

I am directed by the Honourable the Chief Justice and Judge s to invite the attention of Government to the existing state

of the law in India as regards the rights of Trade Marks and to suggest that legislation should be introduced corresponding to the Trade Mark Act, 1905, in England.

It has often been noticed by their Lordships that in the absence of a Trade Mark Act in India, honest traders and manufacturers have to rely upon the common law for their rights to Trade Marks and Trade Names, and accordingly must sue infringers upon that basis. The result is a costly action because usually many witnesses have to be called to establish the common law right. Also it not unfrequently happens that the infringer is a man of no substance, who is put up by others and consequently no costs can be recovered from him.

As an illustration their Lordships may refer to the recent Suit (Suit No. 2748 of 1926, Appeal No. 42 of 1927) in which Messrs. Davis and Lawrence Company sued one Dinshaw M. Arsiwalla. There the Plaintiffs owned a preparation known as "Painkiller". The infringer put upon the market a similar preparation which he called "Painkicher", and he actually in some cases used the Plaintiffs' bottles for selling the infringing preparation. The suit was tried for thirteen days in the trial Court and was decided mainly for the Plaintiffs. There was an appeal and a cross-appeal, but when they came on for hearing the Defendant had filed his Petition in Insolvency, with the result that the successful Plaintiffs will have to bear heavy costs. I am to enclose a copy of the appeal paper book and of the judgment of the Appellate Court.

I am also to refer to Kerly on Trade Marks and Trade Name (Edition 1923, at pages 4 and 5) where it is stated as follows:—

"The trade mark cases, however, were so much the more numerous and important, that, as already stated, a definite property-right in the use of a trade mark was set up, and the action for infringement became a specialised and distinct form of the more general action to restrain, or to obtain damages for 'passing off'. The litigation of trade mark cases was, however, found to be

extremely costly, and otherwise unsatisfactory. The essence of a trade mark right being the reputed association in the market of the symbol in question with the goods of the plaintiff, it was often necessary to call a large number of witnesses to give evidence of the reputation, especially if the defendant alleged that the pretended mark was either mere descriptive matter, or was, on any other grounds, a mark common to the trade; and, as infringers were usually persons of no substance, it was often impossible to recover the costs after the plaintiff had conducted his action to a successful issue. Moreover, success against one infringer did not relieve the owner of a trade mark from the necessity of proving his title afresh if, in any action against another infringer, the defendant chose to dispute it."

I am to add that the object of the proposed legislation would be twofold; First, it would diminish the difficulty and cost of or remove altogether the necessity for the proof of title by use and reputation which casts so great a burden upon the owners of trade marks in proceedings to restrain infringement; and second, it would secure the publication of Marks which have been appropriated as Trade Marks and would define the rights of their proprietors for the information of traders and would limit the classes of marks which are capable of being so appropriated.

In this connection, I am to point out that though some remedy does exist in the Criminal Courts in this respect, it does not necessarily meet all needs. Moreover it is usually preferable to try suits of civil nature in the civil as opposed to the criminal Courts.

I am further to state that their Lordships recognise that the above proposal involves legislation to be initiated by the Government of India and accordingly they would request that the above proposal may be forwarded to the Government of India, should the Government of Bombay be pleased to approve of it.

No. 1650, dated 20th July 1928.

From Chamber, to the Government of Bombay, Revenue Department, BOMBAY.

I am directed to acknowledge receipt of your letter No. 630-K/28, dated 6th July 1928, with its accompaniment and submit the views of my Committee on the subject mentioned above, as under:—

My Committee are glad to note that the question of the Trade Mark Registration in India has been raised by the Bombay High Court. The facts mentioned in the letter from the Prothonotary and Registrar, Original Jurisdiction, H. M.'s High Court, Bombay, clearly bring out the urgent necessity of enacting legislation regarding the Trade Mark Registration in India. In 1926, when a reference was made on this subject from the Director of Industries, United Provinces, my Committee observed that in view of the great development of manufacturing industries in this country since 1905 to 1910, it was desirable in the interests of trade and industries to have legislation for the Registration of Trade Marks in this country. They take this opportunity of reiterating their views on this subject; and express the hope that the Government of Bombay will be pleased to approve of the proposal of the Bombay High Court and impress on the Government of India the urgent necessity of taking the matter in hand at an early date.

APPENDIX 6.

THE INDIAN PATENTS AND DESIGNS ACT AMENDING BILL.

No. 7317-C, Bombay Castle, 17th October 1928.

From The Government of Bombay, General Department to Chamber.

Subject:—Indian Patents and Designs Act, 1911, Bill to amend.

I am directed by the Governor in Council to forward herewith a copy of Government Resolution *No. 7317, dated the 15th October

* Not printed. Vide File No. R 91 of 1928.

1928, and to request that you will be so good as to favour Government with the views of your Chamber, not later than the 20th November 1928, on the provisions of the draft Bill* appended to it.

No. 2762, dated 5th/6th December 1928.

From Chamber to the Government of Bombay, General Department, BOMBAY.

With reference to your letter No. 7317-C, dated 23rd November 1928, I am directed to inform you that as the above Bill mainly deals with technical questions, my Committee do not wish to offer any views on the same.

APPENDIX 62.

DIFFICULTIES EXPERIENCED BY SOME COMMISSION AGENTS OF BOMBAY UNDER THE DECCAN AGRICULTURISTS' RELIEF ACT.

No. 2288, dated 9th October 1928.

From Chamber to the Government of Bombay, Revenue Department, BOMBAY.

Subject:—Difficulties experienced by some Commission Agents of Bombay under the Deccan Agriculturists' Relief Act.

The attention of the Committee of this Chamber has been recently drawn by the Bombay Commission Agents' Association to some difficulties experienced by its members arising from the operation of the Deccan Agriculturists' Relief Act. The main grievances of the said Association are, that the Act, as it stands at present,

entitles an agriculturist debtor, if sued in Bombay, to raise in defence a plea of want jurisdiction if at the date of suit he is an agriculturist according to the Act, regardless of whether at the time of incurring the liability he was or was not an agriculturist and quite independently of the nature of the said liability. Under the circumstances, the Bombay merchant having claims against such persons. is compelled to file suits in the mofussil Courts if he chooses to enforce recovery of his claims. My Committee will feel obliged if Government will be pleased to inform them whether their attention has been drawn to the hardshsips felt by Bombay Commission Agent, due to the operation of the Deccan Agriculturists Relief Act They will also feel obliged if Government will inform them whether they (Government) intend taking any remedial measures to remove the same in case these hardships are brought to their notice.

No. 1684/2-B, Bombay Castle, 26th October 1928.

From the Government of Bombay, Home Department, to Chamber.

I am directed by the Governor in Council to acknowledge the receipt of your letter No. 288, dated the 9th October 1928, regarding the amendment of the Deccan Agriculturists' Relief Act and to state that a representation was received in this Department from the Bombay Commission Agents' Association in July last in respect to the difficulties mentioned and that similar representations in this connection were also received from other public bodies. The Government of Bombay do not propose to take immediate action in the matter but have noted the views expressed with a view to their being considered by Government when the question of the amendment or repeal of the Deccan Agriculturists' Relief Act as whole, is taken up.

APPENDIX 63.

AMENDMENT OF CLAUSE 12 OF THE LETTERS PATENT, H. M.'S HIGH COURT, BOMBAY.

No. 2321, dated 12th October 1928.

From Chamber to the Government of India, Home Department, SIMLA.

Subject:—Clause 12 of Letters Patent H. M.'s High Court, Bombay.

I am directed by the Committee of this Chamber to address you on the question of the amendment of Clause 12 of Letters Patent of His Majesty's High Court of Bombay in a manner which would stabilise and make permanent the law as laid down in the famous decision of Sir Charles Sargeant in **Holkar v. Dadabhoy (1890) Bombay 353** as far as this Presidency is concerned.

My Committee are of opinion that the position of law as defined in that decision which has continued to be in force for nearly thirty-eight years (except for the intervening period of about a year during which it was overruled in **Spinning & Weaving Co. v. Climax Syndicate** 1926, 50 Bombay 1) is one that is most suited to local requirements of a commercial city like Bombay. The population of this City (particularly the business section of it) is made up of those who hold landed properties which are situated outside the jurisdiction of the High Court of Bombay. These businessmen have frequently to arrange for accommodation with local Banks and Finance Houses on Equitable or Legal Mortgage of such properties. This accommodation cannot be had unless the jurisdiction in these matters is vested in the local Courts as the Banks and Finance Houses of the City cannot for obvious reasons conveniently file and fight suits in localities far away from the Town and Island of Bombay. My Committee are no doubt aware that the principles laid down in the case of **Holkar v. Dadabhoy** were in

a large measure restored by the Full Bench decision in **Hatimbhoy Hasanally v. Framroz Edulji Dinshaw** (1927) 51 Bombay 516, but they are in great doubt as to whether this case is the final authority on this point of law for the future. The Full Bench which heard and decided it was divided on various questions urged before it. The Calcutta and Madras decisions also in the corresponding clauses of their respective Letters Patent are in direct conflict and my Committee are afraid that in a future suit on this question if the matter was carried as far as the Privy Council the Law Lords there may take a view (which rests entirely on the construction of the Clause) which may be quite the contrary to that of the Bombay High Court. My Committee are, therefore, of opinion that Clause 12 of Bombay High Court's Letters Patent be so altered as to stabilise the present position at law which is, as stated above most suitable to us here as expressed in the aforesaid case of **Holkar v. Dadabhoy.** Besides benefitting the business community this stabilisation will also make the position more safe as to titles of properties in general which have been dealt with during all these years on the footing of the aforesaid decision of Sir Charles Sargeant.

The learned Chief Justice, the Hon'ble Sir Amberson Marten himself at the conclusion of his judgment expresses himself as follows on page 570 para 89 of 51 Bombay 516 :—

"In conclusion, I would suggest the advisability of the Letters Patent being amended in such a way as to put at rest the controveries on the true construction of Clause 12. This is of course a matter for others to decide, but the difficulties of Clause 12 are not confined to Mortgage Suits and in my judgment it is not right that important commercial communities like those in or dealing with Bombay should be left in doubt as to their ordinary legal remedies in case of need, nor should titles to land be left to depend on the true construction of ill-drawn documents such as Clause 12 of the Letters Patent."

No. F. 736/28-Judicial.

No. 2621, Simla, the 19th October 1928.

From the Government of India Home Department to Chamber.

I am directed to acknowledge the receipt of your letter No. 2321, dated the 12th October 1928, on the above subject, and to say that the matter is for consideration in the first instance by the Government of Bombay to whom a copy of your letter is being sent.

No. 4299/2-II-B, Bombay Castle, 6th December 1928.

From the Government of Bombay, Home Department to Chamber.

With reference to your letter No. 2702, dated the 28th November 1928, regarding the proposed amendment of Clause 12 of the Letters Patent of the Bombay High Court, I am directed by the Governor in Council to state that the question is still under the consideration of Government and that a reply will be sent to you in due course.

APPENDIX 64.

LEVY OF STAMP DUTY ON FOREIGN MARINE INSURANCE POLICIES.

No. 7726-E/26 Bombay Castle, 11th May 1928.

From the Government of Bombay, Revenue Department, to Chamber.

Subject:—Stamp Duty,
Foreign Marine Insurance Policies;
Levy of—on.

I am directed by the Governor in Council to state that Foreign Marine Insurance Policies which are executed outside

British India but claims under which are payable in India unde section 3 (c) of the Indian Stamp Act, 1899, are required to be stamped with an additional Indian stamp. As the phraseology of the section is not clear and as the Indian law leaves ample scope for evasion of stamp duty on these policies, it is proposed to amend the Act on the lines of the English law so as to enforce the stamping in India of these policies even when no claim is made under them. I am to request that Government may be favoured with the views of your Chamber in the matter at an early date.

No. 1388, dated 13th June 1928.

From Chamber, to the Secretary to the Government of Bombay, Revenue Department, BOMBAY.

I am directed to acknowledge receipt of your letter No. 7726-E/24, dated 11th May 1928.

My Committee fully support the proposal of Government to amend the Indian Stamp Act, 1899, on the lines of the English Law so as to enforce the stamping in India of foreign marine insurance policies even when no claim is made under them. They beg to suggest, in this connection, that Lloyd's covers issued under open policies should also be brought under the category of these policies.

APPENDIX 65.

INTERNATIONAL PROTOCOL REGARDING ARBITRAL AWARDS IN COMMERCIAL CONTRACTS.

No. 9215-G. Bombay Castle, 31st May 1928.

From the Government of Bombay, Revenue Department, to Chamber.

Subject—Trade and Commerce.

Arbitral awards in commercial contracts.

I am directed by the Governor to Council to forward a copy of Gouernment Resolution No. 9215, dated 4th May 1928, and to request that Government may be favoured with the views of your Chamber as to the desirability of India's adherence to the protocol of 1923 and the Convention on the execution of foreign arbitral awards. In this connection I am to draw your particular attention to the Resolution on the subject of arbitral awards adopted by the Eleventh Congress of the Chambers of Commerce of the Empire held at Cape Town in Octbober 1927.

Trade and Commerce.

Arbitral awards in commercial contracts.

GOVERNMENT OF BOMBAY.

REVENUE DEPARTMENT.

Resolution No. 9215.

Bombay Castle, 4th May 1928.

Letter * from the Government of India, Department of Commerce, No. 1474-C dated 15th March 1928.

Resolution.—Copies of the letter from the Government of India and of its accompaniments should be forwarded to the Commissioner in Sind, the Judicial Commissioner of Sind, the

*Not printed Vide File No. R. 44 of 1928.

Commissioners of Divisions and the Collector of Bombay (Industries Department), and they should be requested to favour Government with their views as to the desirability of India's adherence to the Protocol of 1923 and the Convention on the execution of foreign arbitral awards, after consulting the commercial community and such other bodies or individuals as may be interested in the matter.

2. The Chambers of Commerce, Bombay and Karachi, the Indian Merchants' Chamber, the Karachi Indian Merchants' Association, the Millowners' Associations, Bombay and Ahmedabad, the Bombay Presidency Trades Association, the Bombay Native Piece-goods Merchants' Association, the East India Cotton Association, the Grain Merchants' Association, the Marwari Chamber of Commerce, the Mukadams' Association, the Bombay Fire Insurance Association, and the Buyers and Shippers Chamber, Karachi, should also be requested to favour Government with their views as to the desirability of India's adherence to the two Instruments. Their attention should in particular also be drawn to the Resolution on the subject of arbitral awards adopted by the Eleventh Congress of the Chambers of Commerce of the Empire held at Cape Town in October 1927.

3. The Registrar of His Majesty's High Court, Appellate Side, should be requested to favour Government with the opinion of the Honourable the Chief Justice and Judges of the High Court as desired in paragraph 8 of the Government of India's letter.

By order of the Governor in Council,
G. K. JOSHI,
Under Secretary to Government.

Reprint of an Associated Press Message, dated Simla, 19-5-28, as appeared in the "Indian Daily Mail" of 21-5-28, re: 1923 Protocal of the League of Nations re: Arbitral Awards in Commercial Contracts:—

"The question of arbitral awards in commercial contracts which arose out of the 1923 Protocol (on arbitratian clauses) of the

League of Nations is now engaging the attention of the Government of India, and opinions are being collected from the various local Governments with a view to the ratification by India of the Protocol and to the amendment of the Law on the lines suggested.

When the Protocol in its original form was received from Geneva, Government of India circulated it for eliciting opinions. The replies of the local Governments and other bodies consulted showed a general approval of the application of the arbitration to commercial cases. The Madras High Court, the Bengal Chamber of Commerce and the Marwari Chamber of Commerce, Calcutta, however, took exception to the Courts being deprived of the discretion which they now possess under Section 19 of the Arbitration Act to stay proceedings where there is submission. In this connection the Bengal Chamber of Commerce stated that although the Courts are not thus compelled to stay proceedings they do in practice excercise their discretion unless the case is of a type that obviously ought to be dealt with by a legal tribunal rather than by lay arbitrators. They were prepared to recommend acceptance of the Protocol "with a reservation to the Indian Courts of their present discretionary powers to deal with the matter which they may not consider to be fit subjects for decision by lay arbitrators". The Madras High Court took the same view. A considerable body of opinion was also doubtful whether in view of the absence of any provision for the reciprocal enforcement of awards in different countries, any real benefit would accrue from the Protocol.

The Protocol of 1923 was ratified on behalf of Great Britain and various parts of the British Empire and a considerable number of foregin countries. The number of accessions has, however on the whole, been considered disappointing, and this is believed to be done to the absence of any arrangements for the enforcement of the arbitral awards made in foreign countries. The Economic Committee of the League of Nations, with the object of removing this omission, studied the possibility of supplementing the provisions of the Protocol, and the result of their labours

came before the Eighth Assembly in the form of a Draft Supplementary Protocol. This Draft after having been submitted to all members of the League in order to give them an opportunity of examining it, was referred by the Second Economic Committee to a Sub-Committee, of Jurists. As a result of the deliberations of this Sub-Committee, certain changes were made in the Draft, and, in view of the representations of the British Government that a Protocol might give rise to difficulties due to the peculiar constitution of the British Empire, the Draft was given the form of a Convention enumerating in its preamble the heads of the State participating therein and their poleniptentiaries. This Convention is now open for signature together with the original Protocol of 1923.

Article I of the Protocol of 1923, however, reserves to each contracting state the right to limit the obligations originating from the Protocol to commercial contracts, and the Convention of 1927 only applies to arbitral awards covered by the Protoco of 1923. Any restriction therefore limiting the application of the Protocol to "commercial awards" will also govern the application of the Convention and will exclude from the purview of the Convention awards other than "commercial awards" etc.

The Convention relates to arbitral awards in general and is not restricted to awards in commercial matters. Article I of the Protocol of 1923, however, reserves to each Contracting State the right to limit the obligations originating from the Protocol to "commercial" contracts, and the Convention of 1927 only applies to arbitral awards covered by the Protocol.

The Government of India are still of the opinion that the application of the Protocol, so far as India is concerned, should be limited to contracts relating to the sale of goods in the export and import trade of India and contracts relating to freight, insurance, commission, etc., associated with such trade, and that accession to the Protocol and Convention by India should be accompanied by a reservation limiting the obligation to "commercial" contracts of this nature.

It is pointed out that a discretionary power to stay proceedings similar to that conferred on Courts by the Indian Law was vested in the English Courts by virtue of Section 4 of the English Arbitration Act, 1889 (52 and 53 Vict. C. 19). But in pursuance of the provisions of the Protocol of 1923 legislation has since been passed by His Majesty's Government in the form of the Arbitrations Clause (Protocol) Act, 1924, depriving the Courts of this power and making the stay of proceeding mandatory in respect of matters which the parties have agreed to refer to arbitration. Moreover, the absence of any arrangements for the enforcement of arbitral awards made in foreign countries, which resulted in the abstention of certain States from signing the Protocol of 1923, has been remedied by the Convention drawn up by the League of Nations for the enforcement of arbitral awards in foreign countries. This Convention has already been signed on behalf of His Majesty's Government who propose to promote legislation at the earliest possible moment to give effect to it. And similar action is in contemplation by certain other States.

The Government of India are generally in favour of co-operating with other countries in International Agreements of this kind, if such a course be possible without serious detriment to Indian interests. and, in the circumstances explained above, they hope that the objections previously taken in India to signing the Protocol of 1923 may now be withdrawn.

Further, there is a tendency to make the adoption of the provisions of the Protocol on arbitration clauses a condition precedent to the adherence to bilateral commercial treaties and one of the obstacles experienced by the Government of India to the accession to such treaties has been their attitude as regards this Protocol. Accordingly it is requested that the Protocol of 1923 and the Convention on the execution of foreign arbitral awards may be considered in the light of information now available, so that Government of India may be favoured with the views of local Governments as to the desirability of India's adherence to the two instruments. As the matter is

one which closely affects the commercial community, the Government of India wants the views of the local Governments to be furnished to them after consulting the commercial community and such other bodies or individuals as may be interested in the matter. The attention of the commercial community is in particular drawn to the resolution on the subject of arbitral awards adopted by the Eleventh Congress of Chambers of Commerce of the Empire at Cape Town in October 1927.—Associated Press."

No. 1554 dated 5th July 1928.

From Chamber to the Government of Bombay, Revenue Department, BOMBAY.

With reference to your letter No. 9215-G, dated 31st May 1928, I am directed by my Committee to submit their views on the subject as under:—

My Committee have considered the Draft Protocol on the execution of foreign arbitral awards, 1927, together with the Report of the Committee of Legal Experts of the League of Nations. They entirely agree with the view held by the Government of India that the application of the Protocol, so far as India is concerned, should be limited to contracts relating to the sale of goods in the export and import trade of India, and contracts relating to freight, insurance, commission, etc. associated with such trade, and the accession to the Protocol, and Convention should be accompanied by a reservation limiting the obligations to commercial contracts of this nature. My Committee, however, would like to emphasise that India should adhere to the proposed Convention regrading enforcement of arbitral awards so far as commercial contracts of the nature stated above are concerned, only if such awards are mutually and reciprocally enforceable.

APPENDIX 66.

THE TRADE DISPUTES BILL.

No. 6378/D, Bombay Castle, 22nd October 1928.

From the Government of Bombay, General Department, to Chamber.

SUBJECT.—The Trade Disputes Bill.

I am directed by the Governor in Council to forward herewith a copy of the Government Resolution, No. 6378, dated the 22nd October 1928, and to request that you will be so good as to frunish the Director, Labour Office, with the views of your Chamber by the date specified in the Government Resolution, *viz.*, before the 1st December 1928.

THE TRADE DISPUTES BILL.

Government of Bombay, General Department,

Resolution No. 6378, Bombay Castle, 22nd October, 1928.

Letter from the Government of India, Legislative Department, No. F.117-I/28-A, dated the 6th October, 1928:—

"With reference to the Debates of the Legislative Assembly of the 21st September 1928, I am directed to forward herewith copies of the papers noted on the margin and to request that the Governor in Council will favour the Government of India in this Department with an expression of his opinion on the provisions of the Bill, and with the opinions of such selected officers and other persons as the Governor in Council may think fit to consult on the subject. As regards the consultation of per-

1. The Trade Disputes Bill with Statement of Objects and Reasons.
2. *Extract from Legislative Assembly debates, dated 21st September 1928, regarding the Bill.

*Not printed Vide File No. R. 68 of 1928.

ons or bodies having special interests I am particularly to invite your attention to the final speech made by the Honourable Mr. A. C. McWatters on the motion to circulate the Bill for opinions on the 21st September 1928.

"2. I am also to request that the Bill and Statement may be published in the *Bombay Government Gazette* in English and in such other languages as the Governor in Council may deem proper, and that the dates of such publication may be communicated in your reply.

"3. The reply to this letter should be sent in by the 2nd January, 1929."

Resolution—Copies of the letter from the Government of India and accompaniments should be forwarded to the Honourable the Chief Justice and Judges of His Majesty's Court of Judicature, Bombay, the Commissioner in Sind, the Remembrancer of Legal Affairs, the Commissioners of Divisions, the Collector of Bombay, the Director of Industries, the Commissioner of Police, Bombay, the Municipal Commissioner for the city of Bombay, the Director, Labour Office, the Political Resident, Aden, the Millowners' Associations, Bombay and Ahmedabad, the Indian Merchants' Chamber, Bombay, the Chambers of Commerce, Bombay and Karachi, the European Textile Association, the Social Service League, the Trade Union Congress, the Kamgar Hitwardhak Sabha, the Central Labour Board, the Bombay Electric Supply and Tramways Company, the Bombay Telephone Company, the Bombay Gas Company, Messrs. Mackinnon Mackenzie and Company, the Agents, B. B. and C. I. and G. I. P. Railways, the Bombay Engineering Employers' Association, the Chairman, Bombay Port Trust, the Chief Officer, Bombay Improvement Trust, and they should be requested to favour Government with their views on the provisions of the Bill before the 1st December 1928. The Director, Labour Office, and Registrar of Trade Unions is authorised to consult such other bodies and Unions as he may consider necessary.

2. The replies should be forwarded before the date mentioned in paragraph 1 above, to the Director, Labour Office, who should

be requested to favour Government with his views on the draft Bill and with a draft letter to the Government of India by the 15th December 1928 after considering the opinions expressed by the different officers and bodies.

3. The Manager, Government Central Press, should be requested to print the Bill, with the Statement of Objects and Reasons, in the *Bombay Government Gazette* and to supply 300 spare copies to this Department. The Oriental Translator to Government should be requested to have the Bill with the Statement of Objects and Reasons, translated into Marathi, Gujarati, Kanarese and Urdu and forward the translation to the Manager, Government Central Press, for publication in the Gazette. The Commissioner in Sind should be requested to print the Bill and the statement of Objects and Reasons together with their Sindhi translation in the *said official Gazette* The Manager, Government Central Press, and the Commissioner in Sind should be requested to intimate to Government the dates on which the Bill and its translations are printed in the *Bombay Government Gazette* and the *said official Gazette* repectively.

By order of the Governor in Council.

A. H. DRACUP,
Under Secretary to Government.

G. R., G.D., No. 6378, dated the 22nd October, 1928.

A

BILL

TO

Make provision for the investigation and settlement of trade disputes, and for cetrain other purposes.

Whereas it is expedient to make provision for the investigation and settlement of trade disputes, and for certain other purposes hereinafter appearing; It is hereby enacted as follows :—

Short title, extent and commencement.

1. (1) This Act may be called the Trade Disputes Act, 192

(2) It extends to the whole of British India, including British Baluchistan and the Sonthal Parganas.

(3) It shall come into force on such date as the Governor in Council may, by notification in the Gazette of India, appoint.

2. In this Act, unless there is anything repugnant in the subject or context,—

Interpretation.

(*x*) "Board" means a Board of Concilation constituted under this Act;

(*y*) "Court" means a Court of Inquiry constituted under this Act;

(*g*) "employer" means, in the case of any industry, business or undertaking carried on by any department of the Government, the authority prescribed in this behalf or, where no authority is prescribed, the head of the department;

a) "lock-out" means the closing of a place of employment, or the suspension of work, or the refusal by an employer to continue to employ any number of persons employed by him, where such closing, suspension or refusal occurs in consequence of a dispute and is intended for the purpose of compelling those persons, or of aiding another employer in compelling persons employed by him, to accept terms or conditions of or affecting employment;

(*b*) "prescribed" means prescribed by rules made under this Act;

(*f*) "public utility service" means—

(i) any railway service which the Governor General in Council may, by notification in the Gazette of India, declare to be a public utility service for the purposes of this Act; or

(ii) the postal, telegraph or telephone services; or

(iii) any industry, business or undertaking which supplies light or water to the public; or.

(iv) any system of public conservancy or sanitation;

and includes any other industry, business or undertaking which the Governor General in Council may, after giving by notification in the Gazette of India not less than three months' notice of his intention so to do, by a like notification declare to be a public utility service for the purposes of this Act;

(*g*) "railway company" means a railway company as defined in section 3 of the Indian Railways Act, 1880;

(*h*) "strike" means a cessation of work by a body of persons employed in any trade or industry acting in combination or a concerted refusal, or a refusal under a common understanding, of any number of persons who are or have been so employeed to continue to work or to accept employment;

(*i*) "trade dispute" means any dispute or difference between employers and workmen, or between workmen and workmen, which is connected with the employment or non-employment or the terms of the employment or with the conditions of labour, of any person; and

(*j*) "workman" means any person employed in trade or industry for hire or reward, but does not include any person employed in the naval, military or air service of the Crown.

Reference of Disputes to Courts and Boards.

Reference of disputes to Courts or Board.

3. If any trade dispute exists or is apprehended between an employer and any of his workmen, the Loca Government, or where the employer is the head of a department under the control of the Governor General in Council or is a railway company, the Govenor-General in Council, may, by order in writing,—

(*a*) refer any matters appearing to be connected with or relevant to the dispute to a Court of Inquiry to be

appointed by the Local Government or the Governor-General in Council, as the case may be; or

(*b*) refer the dispute to a Board of Conciliation to be appointed by the Local Government or the Governor General in Council, as the case may be, for promoting a settlement thereof:

Courts of Inquiry.

Constitution of Courts.

4. (1) A Court shall consist of a Chairman and such other persons as the appointing authority thinks, fit, or may, if such authority thinks fit, consist of one person.

(2) A Court, having the prescribed quorum, may act notwithstanding any vacancy in the number of its members other than the chairman.

Duties of Courts.

5. (1) A Court shall, either in public or in private, at its discretion, inquire into the matters referred to it and report thereon to the authority by which the Court was appointed.

(2) A Court may, if it thinks fit, make interim reports.

Boards of Conciliation.

Constitution of Boards.

6. (1) A Board shall consist of a chairman and two or four other members, as the appointing authority thinks fit, or may, if such authority thinks fit, consist of one independent person.

(2) Where the Board consists of more than one person, the chairman shall be an independent person and the other members shall be either independent persons or persons appointed in equal numbers to represent the parties to the dispute; all such persons shall be appointed on the recommendation of the parties concerned:

Provided that, if any party fails to make the necessary recommendation within the prescribed time, the appointing authority shall select and appoint such persons as it thinks fit to represent that party.

(3) A Board , having the prescribed quorum, may act notwithstanding any vacancy in the number of its members other than the chairman :

Provided that, where a Board includes an equal number of persons representing the parties to the dispute and any of such persons resigns from the Board before it has completed its work, the authority appointing the Board shall appoint, in the manner specified in sub section (2), another person to take his place, and the proceedings shall be continued before the Board so re-constituted.

Duties of Boards.

7. (1) Where a dispute has been referred to a Board under this Act, it shall be the duty of the Board to endeavour to bring about settlement of the same, and for this purpose the Board shall, in such manner as it thinks fit and without delay, investigate the dispute and all matters affecting the merits thereof and the right settlement thereof, and in so doing may do all such things as it thinks fit for the purpose of inducing the parties to come to a fair and amicable settlement of the dispute, and may adjourn the proceedings for any period sufficient in its opinion to allow the parties to agree upon terms of settlement.

(2) If a settlement of a dispute is arrived at by the parties thereto after it has been referred to a Board and during the course of the investigation thereof, a memorandum of the settlement shall be drawn up by the Board and signed by the parties, and the Board shall send a report of the settlement, together with the memorandum, to the authority by which the Board was constituted.

(3) If no such settlement is arrived at during the course of the investigation, the Board shall, as soon as possible after the close thereof, send a full report regarding the dispute to the authority by which the Board was constituted, setting forth the proceedings and steps taken by the Board for the purpose of ascertaining the facts and circumstances relating to the dispute and of bringing about a settlement thereof, together with a full statement of such facts and circumstances and its findings thereon and the recommendation of the Board for the settlement of the dispute.

(4) The recommendation of the Board shall deal with each item of the dispute, and shall state in plain language what in the opinion of the Board ought and ought not to be done by the respective parties concerned.

General.

Finality of orders constituting a Court or Board.

8. No order of the Governor General in Council or of a Local Government appointing any person as a member of a Court or a Board shall be called in question in any manner.

Procedure and Powers.

9. (1) Courts and Boards shall follow such procedure as may be prescribed.

(2) Court and Boards shall have the same powers as are vested in Courts under the Code of Civil Procedure, 1908, when trying a suit in respect of the following matters :—

(*a*) enforcing the attendance of any person and examining him on oath ;

(*b*) compelling the production of documents and material objects ; and

(*c*) issuing commissions for the examination of witnesses ;

and shall have such further powers as may be prescribed ; and every inquiry or investigation by Court or Board shall be deemed to be a judicial proceeding within the meaning of sections 193 and 228 of the Indian Penal Code.

Filling of vacancies.

10. (1) If the service of the chairman or of any other member of a Court or Board cease to be available at any time for the purposes of the Court or Board, the appointing authority shallappoint another chairman or may appoint another member, as the case may be, and the proceedings shall be continued before the Court or Board so re-constituted.

(2) Where the Court or Board consists of one person only and his services cease to be available as aforesaid, the appointing authority shall appoint another person in his place, and the proceedings shall be continued before the person so appointed.

Form of report.

11 The report of a Court or Board shall be in writing and shall be signed by all the members of the Court or Board:

Provided that nothing in this section shall be deemed to prevent any member of a Court or Board from recording a minute of dissent from a report or from any recommendation made therein.

Publication of results of inquiry.

12 The authority appointing a Court or Board shall publish its report in such manner as such authority thinks fit, and may publish or cause to published from time to time, in such manner as such authority thinks fit, any information obtained, or conclusions arrived at, by the Court or Board as the result of its inquiry or investigation.

Certain matters to be kept confidential.

13 (1) Notwithstanding anything contained in section 12, there shall not be included in any report or publication made or authorised by a Court or Board or the authority appointing a Court or Board any information obtained by the Court or Board in the course of its inquiry or investigation as to any Trade Union or as to any individual business (whether carried on by a person, firm or company) which is not available otherwise than through evidence given before the Court or Board, except with the consent in writing of the secretary of the Trade Union or of the person, firm or company in question; nor shall any individual member of the Court or Board or any person concerned in the proceedings before it disclose any such information without such consent.

(2) If any member of a Court or Board or any person present at or concerned in the proceedings before a Court or Board discloses any information in contravention of the provisions of subsection (1), he shall, on complaint made by or under the authority of the Trade Union or individual business affected, be punishable with fine which may extend to one thousand rupees.

Provided that nothing in this sub-section shall apply to the disclosure of any such information for the purposes of a prosecution under section 193 of the Indian Penal Code.

Representation of parties.

14 Save as may be otherwise prescribed, no person shall be entitled to be represented by a legal practitioner before a Court or Board

Special provision regarding Public Utility Services.

Sudden strikes in utility services.

15 (1) Any person who, being employed on monthly wages in a public utility service, voluntarily withdraws from the duties of his office without permission or without having given to his employer one month's previous notice in writing shall be punishable with imprisonment which may extend to one month, or with fine which may extend to fifty rupees, or with both.

(2) Any person who abets the commission of an offence under sub-section (1) shall be punishable with imprisonment which may extend to three months, or with fine which may extend to five hundred rupees, or with both.

(3) No Court shall take cognisance of any offence under this section save on complaint made by , or under authority from, the Governor General in Council or the Local Government.

(4) No Court inferior to that of a Presidency Magistrate or a Magistrate of the first class shall try any offence under this section.

Special provision for Illegal Strikes and Lock-outs.

16 (1) A strike or a lock-out shall be illegal which—

(*a*) has any object other than, or in addition to, the furtherance of a trade dispute within the trade or industry in which the strikers or employers locking out are engaged ; and

(*b*) is a strike or lock-out designed or calculated to coerce the Government either directly or by inflicting hardship upon the community.

(2) It shall be illegal to commence or continue, or to apply any sums in furtherance or support of any such illegal strike or lock-out.

(3) For the purposes of this section, a trade dispute shall not be deemed to be within a trade or industry unless it is a dispute between employers and workmen, or between workmen and workmen, in that trade or industry, which is connected with the employment or non-employment or the terms of the employment, or with the conditions of labour, of persons in that trade or industry.

(4) A strike or a lock out shall not be deemed to be calculated to coerce the Government unless such coercion might reasonably be expected as a consequence thereof.

Penalty.

17 (1) If any person declares, instigates, incites others to take part in, or otherwise acts in furtherance of a strike or lockout which is illegal under the provisions of section 16, he shall be punishable with imprisonment which may extend to three months, or with fine which may extend to five hundred rupees, or with both.

Provided that no person shall be deemed to have committed an offence under this section by reason only of his having ceased work or refused to continue to work or to accept employment.

(2) No Court shall take cognisance of any offence under this section save on complaint made by, or under authority from, the Governor General in Council or the Local Government.

(3) No Court inferior to that of a Presidency Magistrate or a Magistrate of the first class shall try any offence under this section.

Certain provisions of Act XVI of 1926 not to apply to illegal strike or lock-out.

18 The provisions of section 17 and 18 of the Indian Trade Unions Act, 1926, shall not apply to any act done in contemplation or furtherance of a strike or lock-out which is illegal under section 16, and any such act shall not be deemed for the purposes of any enactment to be done in contemplation or furtherance of a trade dispute.

Protection of persons withholding from illegal strike or lock-out.

19 (1) No person refusing to take part, or to continue to take part, in any strike or lock-out which is illegal under the provisions of section 16 shall by reason of such refusal or by reason of any action taken by him under this section, be subject to expulsion from any trade union or society, or to any fine or penalty, or to deprivation of any right or benefit to which he or his legal representatives would otherwise be entitled, or be liable to be placed in any respect, either directly or indirectly, under any disability or at any disadvantage as compared with other members of the union or society, anything to the contrary in the rules of a trade union or society notwithstanding.

(2) Nothing in the rules of a trade union or society requiring the settlement of disputes in any manner shall apply to any proceeding for enforcing any right or exemption secured by this section and in any such proceeding the Court may, in lieu of ordering a person who has been expelled from membership of a trade union or society to be restored to membership, order that he be paid out of the funds of the trade union or society such sum by way of compensation or damages as the Court thinks just.

Injunctions for restraint of application of funds.

20 Without prejudice to the right of any person having a sufficient interest in the relief sought to sue or apply for an injunction to restrain any application of the funds of a trade union in contravention of the provisions of section 16, an injunction restraining any application of the funds of a trade union in contravention of the provisions of that section may be granted at the suit or upon the application of the Governor General in Council or a Local Government.

Rules.

Power to make rules.

21 (1) The Governor General in Council in respect of industries, businesses and undertakings carried on by him or under this authority, or by a railway company, and the Local Governments in respect of other businesses, industries, or under-

takings within thei rrespective provinces, may make rules for the purpose of giving effect to the provisions of this Act.

(2) In particular and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely :—

(*a*) the powers and procedure of Courts and Boards, including rules as to the summoning of witnesses, the production of documents relevant to the subject-matter of an inquiry or investigation and the number of members necessary to form a quorum;

(*b*) the allowances admissible to members of Courts and Boards and to witnesses;

(*c*) the ministerial establishment which may be allotted to a Court or Board and the salaries and allowances payable to members of such establishments;

(*d*) the occasions and manner in which persons may be represented by legal practitioners in proceedings under this Act before a Court or Board;

(*e*) any other matter which is to be or may be prescribed.

(3) All rules made under this section shall be published in the Gazette of India or the local official Gazette, as the case may be, and shall, on such publication, have effect as if enacted in this Act.

STATEMENT OF OBJECTS AND REASONS.

The outbreak of industrial unrest on a large scale was a feature of the period succeeding the close of War and led the Government of India to explore the possibility of providing some machinery for the settlement of industrial disputes. The inquiries made with this purpose in 1920 led to the conclusion that in the conditions then existing, legislation for this purpose was not likely to be effective.

2. The succeeding years saw a distinct change in the position by reason of the growth of organizations of industrial workers and of the increasing influence exercised by public opinion on the course of disputes. And in 1924 the Government of India prepared a draft Bill "for enabling the investigation and settlement of trade disputes," and circulated it in order to ascertain the views of those directly interested and of the public generally on the subject. As a result of the inquiries made in 1924-25 and the experience which has become available since that period, the Government of India are satisfied that legislation for the prevention and settlement of trade disputes is likely to prove of considerable value; and the present Bill has been prepared for this purpose.

3. The main part of the Bill falls into three parts. Clauses 3 to 14 relate to the establishment of tribunals for the investigation and settlement of trade disputes. This part of the Bill is based generally on the British Industrial Courts Act of 1919, and its detailed provisions are adopted for the most part from clauses in that Act. The main difference is that, whereas the British Act sets up a Standing Industrial Court, the Conciliation Boards which the Bill proposes to establish are intended to be appointed **ad hoc** like the Courts of Inquiry, in order to deal with particular disputes. The object of Courts of Inquiry which will ordinarily be composed of persons having no direct interest in the dispute will be to investigate and report on such questions connected with the dispute as may be referred to them. The object of Boards of Conciliation, which will ordinarily include representatives of the parties to a dispute, will be to secure a settlement of the dispute. Both Courts of Inquiry and Boards of Conciliation will be able to enforce attendance of witnesses and the production of documents, and their reports are to be published. Neither party will be under any obligation to accept the findings of the Court or the advice of the Board; and in cases where the dispute is not brought to end during the deliberations of the tribunal that has been appointed, reliance is placed on the force of public opinion which will be enabled by the publication of the report of the tribunal to arrive at just conclusions on the merits of the dispute.

4. The second part of the Bill consists of clause 15 which relates to public utility services. "Public utility services" is defined in clause 2 (f), and it will be observed that, in accordance with this definition, clause 15 is only applicable to such railway services as have been notified by the Governor General in Council. The clause makes it a penal offence for workers employed on monthly wages in public utility services to strike without previous notice, and also provides heavier penalties for persons abetting such an offence. The clause is based on the principle that persons whose work is vital to the welfare of the community generally should not be entitled to enter into a strike before sufficient time has been given to examine the merits of their grievances and to explore the possibilities of arriving at a peaceful settlement. Provisions of a somewhat similar type already exist in the Indian Post Office Act and in a number of Municipal Acts in India, and the principle is one which is widely accepted in other countries.

5. Clauses 16 to 20 contain certain special provisions relating to illegal strikes and lock-outs. These clauses follow closely the provisions of sections 1, 2 and 7 of the **British Trade Disputes and Trade Unions Act, 1927.** They are applicable only in the case of strikes and lock-outs which satisfy both of two conditions; in the first place, the strike or lock-out must have other objects than the mere furtherance of a trade dispute within the industry to which the strikers or employers belong, and, in the second place, the strike or lock-out must be designed to coerce Government either directly or by inflicting hardship on the community. If these conditions are satisfied, the srike or lock-out becomes illegal. Persons furthering the strike or lock-out are liable to punishment and are deprived of the protection granted to them by the Indian Trade Unions Act, while persons refusing to take part in it are protected from trade union disabilities to which they might otherwise be subjected.

The 22nd August, 1928. A. C. MCWATTERS.

No. 2860, dated 13th December 1928.

From Chamber, to the Government of Bombay, General Department, BOMBAY.

Subject:—*Trade Disputes Bill.*

I am directed to send to you hereby the views of the Committee of this Chamber regarding the Trade Disputes Bill recently introduced in the Legislative Assembly by the Government of India. My Committee generally approve of the principles underlying the Bill. They view the present industrial situation in this country with apprehension that they thought it their duty in collaboration with the Committee of the Bombay Chamber of Commerce to urge the Government of India to take immediate steps to get the Trade Disputes Bill passed through the Legislature. Unfortunately, that could not be done, and the Trade Disputes Bill is now circulated for public opinion.

The Bill falls into three parts: The first is concerned with making provision for the investigation and settlement of trade disputes; the second part of the Bill is concerned with Public Utility services; and the third is concerned with illegal strike and lock outs.

With regard to Part-I, my Committee would like to make the following suggestions. They would suggest that the term, "employer" should be defined more clearly and that it should include the "occupier" as defined in the Indian Factories Act, or manager or any other person appointed by him for this purpose. The term "public utility service" as defined in the latter part of sub-section (f), Part—II, is very vague and gives wide powers to the Governor General in Council which, it is feared may be abused. There would be nothing under this section to prevent, even the jute industry, from being declared a Public Utility Service. My Committee recognise that in times of war the textile industry might be deemed to be a Public Utility service, but in ordinary times of peace there should be a clear and a definite limitation of the term "public utility service"

and Government should not be left free to determine which should be declared and which should not be declared "public utility services".

It does not appear to be clear from section 3, at whose instance the particular subject-matter of dispute will be referred to a Court of Enquiry or a Board of Conciliation, and my Committee suggest the following amendment of section (3):—

> "If any trade dispute exists or is apprehended between an employer other than the head of a department under the control of the Governor General in Council or any public utility service which has affected or in the opinion of the local Government is likely to affect a trade or industry to a considerable extent the Local Government may:
>
> (1) at the request of either the employers or the workmen by order in writing refer any matters appearing to be connected with or relevant to the dispute to a Court of Inquiry to be appointed by the Local Government;
>
> (2) at the request of both the employers and the workmen refer the dispute to a Board of Conciliation to be appointed by the Local Government for promoting the settlement thereof.

If any trade dispute exists or is apprehended between an employer who is the head of a department under the control of the Governor General in Council or is a public utility service, the Governor General in Council may by order in writing:—

> (a) refer any matters appearing to be connected with or relevant to the dispute to a Court of Enquiry to be appointed by the Governor General in Council;
>
> (b) refer the dispute to a Board of Conciliation to be appointed by the Governor General in Council for promoting a settlement thereof."

For obvious reasons my Committee suggest the addition of the worde "independent" before the word "persons" when it occurs for the last line in this clause.

My Committee desire that the power of Courts to call for documents, etc., under this clause should be limited to documents "relevant" to the dispute or enquiry.

My Committee are aware that certain public utility concerns employ workmen on "daily wage" basis. This clause might be amended to include such workmen also.

Without going into the merits of picketting during pre-reference or pre-conciliation period, and about this there may be difference of opinion, my Committee are strongly of opinion that after a matter under dispute has been referred to a Court of Inquiry or Board of Conciliation, and postively after award, picketting, unless, it is made illegal, will defeat the object of reference or conciliation. When a matter has been thus referred to a Court of Inquiry or Board of Conciliation it at once becomes *sub-judice* and neither of the parties to the dispute should be allowed to go behing such a reference and to use force or intimidation towards any individuals or groups of individuals to act in a particular manner. Looking to the trend of event in industrial disputes not only in Bombay but at different places, my Committee are firmly of opinion that unless some such action is taken with regard to picketting of the nature above referred to, the condition of industries will be going from bad to worse.

Regarding the second part affecting public utility services, my Committee consider that sections 16 to 17 of the old Trade Disputes Bill as introduced by the Government of India in 1924 were much better worded than the section 15 of the present Act. There were safeguards provided against the powers under the section being abused by any authority. My Committee propose, therefore that the sections 16 to 17 of the old bill may be substituted in place of section 15 of the present Bill. The main difference between the old and the new Bills in this par-

ticular is that while the old bill provided only for lock outs and strikes that is to say action taken by groups and not individuals, either employers or workmen, section 15 in the present Bill applies to actions taken by workmen in their individual capacity. Under the old bill the empleyer was prevented from declaring any unlawful lock out and was obliged to give a month's notice of reduction in wages, the new Bill, however, penalises the workmen and does not entail any corresponding obligation on the employer in any public utility service to give any notice to the workman or workmen before his or their services are dispeneed with. My Committee would like the efficiency of public services to be maintained in tact and would not tolerate any breaking down of these services by designing persons, they would at the same time not like to place weapons in the hands of the authorities which may be misused. Every legislation must be based on principle of fairness and justice, and it is because, they apprehend, that these principles are contravened by the second part of the Bill, that they have ventured to make the above suggestion.

With regard to Part 3 of the Bill, which comprehends illegal strikes and lock outs, section, 16 is extremely vague, an illegal strike being defined as that which " has any object other than, or in addition, the furtherance of a trade dispute within the trade or industry in which the strikers are engaged ; and is a strike designed or calculated to coerce the Government either directly or by inflicting hardship upon the community ", my Committee fear that each and every strike, whatsoever may be its object, may, if so desired, be included in this definition. With regard to lock outs, it may safely be averred that they will not generally come in under this section as, accordingly to a well-known writer on labour question, " the lock out is a far less necessary weapon than the strike is to the workmen ". A purely industrial viewpoint might not be taken by the authorities when declaring a stike as illegal and politicial considerations may be incorporated in such a decision. My Committee, therefore, emphasise that the definition of an illegal strike should be made more exact and

drafted in such a manner as to preclude the authorities from abusing the powers in their possession. My Committee agree that there are certain illegal strikes which should not be encouraged, but are not in favour of the steps suggested in section 16.

(4). STORES PURCHASE..

APPENDIX 67.

STORES PURCHASE FOR INDIAN RAILWAYS BY THE RAILWAY BOARD.

No. 765, dated 19th, March 1928.

From Chamber to the Secretary, Railway Board, Government of India, New Delhi.

In the figures of purchase for Indian Railways during 1926-27 as stated in the "Times of India" Enginenring Supplement, dated 8th March 1928, it is mentioned that "there was a heavy drop of 237 lakhs in the value of imports of rolling stock. * * * * Under rolling stock the imported material amounted in value to 396 lakhs and indigenous material to 83 lakhs." My Committee would be grateful if the large items out of this 396 lakhs are specified as to value and if the sources of the purchase are indicated. My Committee would further like to know whether any attempt was made to ascertain through the Engineering Association of Calcutta or through any other machinery, *viz*: the Indian Stores Department, whether some of the items thus imported could have been secured in India.

Thanking you in anticipation for an early reply.

No. 134-S, dated the 4th April 1928.

From the Government of India, Railway Department, to Chamber.

I am directed to acknowledge the receipt of your letter No. 765, dated 19th/20th 1928, in which your Chamber desires to know :—

(*i*) The value of rolling stock materials under large heads imported by Railway during the year 1926-27,

(*ii*) the sources of such imports,

(*iii*) whether an attempt was made by railways to ascertain through the Indian Stores Department if some of the imported meterials could have been obtained in India.

In reply I am to state that the information relating to (*i*) above will be found in Appendix A pages 180 and 181 of the Railway Board's Annual Report on Indian Railways for the year 1926-27 (Volume II).

Regarding (*ii*) the Railway Board is not in possession of the information required.

With regard to (*iii*) above the reply is in the affirmative.

No. 1438, dated 20th June 1928.

From Chamber to the Secretary Railway Board, Simla.

I am directed to acknowledge receipt of your letter No. 134-S, dated 4th April 1928. My Committee do not think it is sufficient for the Railway Board to say that they have no information as to the sources of purchase. Somebody is purchasing articles for the Railway Board as their agent, and they are paying for the same. Because purchases are made by the High Commissioner on the one hand, and by the agents and the Stores Departments of the Railway Board on the other it does not follow that the Railway Board are not in a position to get this information, though it may be that at the moment they may not have the information in their possession.

It cannot be gainsaid that this information is of importance to the engineering and other trades in the country. The lessons of

the War when India was stranded even for ordinary articles and had to pay heavily for her purchases should not be so easily forgotten. It was the declared policy of the Government when the Industrial Commission was appointed that this country should be self-supporting in respect of all things which could be possibly manufactured here. It would be interesting to know whether this outlook and policy have changed. If they have not my Committee whould like to know what steps they propose taking to bring about the desired result, if not immediately, at least by well defined stages. The information whether certain things are purchased by the Railway Board which are not at present being manufactured in this country is of great importance in this connection. If manufacturers were consulted they would probably give some reasons why these articles were not made in the country. There may be some things at least of which the manufacture is not undertaken because of the uncertainty of receiving orders from the Railway Board or their agents. More than one case exists of factories working in India, but the orders deliberately and persistently going out of the country. This is often done on the plea that railways are managed commercially and that, therefore, they cannot afford to purchase an article which may serve the purpose, but may not be as good in finish or may cost a little more. It would appear unfortunately as if the Railway Board were between two conflicting positions. As Managers of the State Railway they claimed to be bound by strict commercial practice, but as the Railway Department they were part and parcel of the Government and as such they could not repudiate the professions of the latter to support the industries of the country and make the country self-supporting.

My Committee note that the Railway Board did make an attempt to ascertain if some of the imported materials could have been obtained in this country. If so, my Committee will be glad to have copies of all the correspondence with regard to this question.

APPENDIX 68.

NON-ACCEPTANCE OF LOWEST TENDERS FOR STORES BY THE INDIA STORES DEPARTMENT, LONDON.

No. 1079, dated 30th April 1928.

From Chamber to the Government of India, Department of Industries & Labour, Simla.

Subject :—Half yearly statement of cases in which the lowest tenders have not been accepted by the India Store Department, London.

With reference to the above Half-yearly statement for the period ended 31st December 1927, forwarded with your letter, dated the 23rd March 1928, No. S-424, I am directed by my Committee to observe as under :—

In the first place, my Committee regret to find that cases of higher payments than the most suitable lowest tender continue to recur as in the case of

Axle-boxes,	Cont.	No.	1369,	dated	19-7-1927
do.	,,	,,	1333,	,,	2-7-1927.

My Committee feel that Government should take early steps to see that Indenting Officers send their indents in good time and the waste of public money on the plea of urgency that now occurs may be avoided.

The next item that they would like to draw attention to is No. 4851 of 16-11-27 for Typewriting paper. Some 20% more has been paid on the ground that inspection abroad would have cost as much or more. My Committee would beg to point out that they cannot understand the meaning of the need of inspection for such every-day articles of commerce. Such goods need only be bought on approved samples and if the delivery in India is not

upto sample the necessary allowances could be insisted on or the goods rejected. Crores of merchandise is every year imported into this country on the lines indicated and inspection at the works is never considered necessary and my Committee cannot understand why a different procedure should be necessary for purchases by Government departments of such ordinary goods.

There is one other item—Linen-backed paper—in which a higher price was paid because the Indenting Officer has insisted on Mallandain's paper. My Committee can understand insistence on a particular make for a crane or a binocular, but they cannot understand it in the case of Linen-backed paper. As cases of special insistence on particular suppliers have also been frequent, my Committee would urge the necessity of rules being framed to prevent an abuse of their powers by Indenting Officers' favouring particular markers. They would also suggest that in such cases the Indenting Officer should be called upon to explain why he insisted on a particular supplier when the Stores Department was in a position to procure an equally good article at cheaper price.

No. S-424, dated Simla, the 23rd June 1928.

From the Government of India Department of Industries and Labour, to Chamber.

I am directed to refer to your letter No. 1079, dated the 30th April 1928, on the above subject.

2. Your Committee complains that cases of acceptance of higher tender than the lowest suitable tender continue to recur for such articles as axle-boxes on the plea of urgency and suggests that the Government of India should take steps to impress on the indenting officers the necessity of sending their indent in good time to the Director-General, India Store Department, London, to enable him to make purchases as economically as possible. Instructions to this effect have already been issued. In regard to the particular cases referred to in your letter, I am to say that they have been examined by the Government of India and the/

are satisfied that the action taken by the indentors and the Director-General, India Store Department, London, was the only course possibe in the circumstances.

3. Your Committee points out that there is no need for inspection before shipment in case of every-day articles of commerce (*e.g*, type-writing paper), and suggests that such articles should be purchased on approved samples, and that if the delivery in India is not up to sample a suitable reduction in price should be insisted on or the goods rejected. The Government of India regret that they are unable to adopt this procedure as they believe that it would lead to endless correspondence and the result would invariably be unsatisfactory. If the entire supply has to be rejected it would be difficult to replace it without considerable delay and this would cause much inconvenience. The Government of India are, therefore, of opinion that in the interest of economy all imported goods should be inspected before despatch.

4. With regard to the purchase of linen-backed paper from a specified firm, I am to say that the paper manufactured by Messrs. Mallandain has been found from long experience to be most satisfactory for the efficient production of maps and it was, therefore, considered inadvisable and uneconomical to obtain a new make of paper until it had been properly tested and found suitable for the required purpose. Samples of papers for the production of maps manufactured by several other firms are, however, being tested with a view to find out a cheaper substitute for Mallandain's paper.

APPENDIX 69.

STORES PURCHASE POLICY OF THE GOVERNMENT OF INDIA.

No. 2588, dated 14th November 1928.

From Chamber to the Government of India, Department of Industries & Labour, Delhi.

Re : Stores Purchase.

The Committee of this Chamber will be much obliged if Government will be pleased to supply them with the following information :—

" Whether the various departments of the Government of India, Provincial Governments (other than the three major Provinces), Railways and semi-Government bodies, while placing orders with the Indian Stores Department for purchases of various articles, insist on purchasing particular manufacturers or firms.

No. S 4, dated New Delhi, the 10th December 1928.

From the Government of India, Department of Industries and Labour, to Chamber.

With reference to your letter No. 2588, dated the 14th November 1928, I am directed to say that Government departments and officers in placing their indents on the Indian Stores Department for stores required by them do not generally specify particular makes of articles unless there are good reasons for doing so for instance, to ensure interchange with existing articles, when replacements of worn out parts are required or for other similar adequate reasons. It is the policy of the Indian Stores Department to widen competition as far as possible and to impress on all the indenting departments and officers that the articles should be purchased to a specification drawn up on wide general lines.

No. 20, dated 5th January 1929.

From Chamber, to the Government of India, Department of Industries and Labour, New Delhi.

With reference to your letter No. S-4, dated the 10th December 1928, I am directed by my Committee to inform you that they are not at all satisfied with the explanation given therein regarding the insistence of Indenting Officers on purchasing particular articles of particular makers. They would, in this connection, like to point out that the half-yearly statements issued by the High Commissioner for India in London, regarding the non-acceptance of the lowest tenders, invariably contain remarks about the Indenting Officers insisting upon purchasing particular articles of particular makers. There are cases on record when the Indenting Officers even for articles of common use, like Paper-Litho Printing, Linen-backed, Ink-registration, blue-black and red, etc., insisted on purchasing them from particular makers. It has been the painful duty of my Committee during all these years to enter their emphatic protest against such an insistence on the part of the Indenting Officers and they are sorry to observe that Government have, so far, not taken any active steps to remedy the same. Such a practice naturally involves a great and avoidable expenditure with regard to purchase of such articles and as such constitutes an unnecessary burden to the country.

My Committee, therefore, hope that Government will now be pleased to see that such an undesirable practice is forthwith put a stop to.

No. S 4, dated New Delhi, the 6th March 1929.

From the Government of India, Department of Industries and Labour, to Chamber.

With reference to your letter No. 20, dated the 5th January 1929, I am directed to say that, in arriving at the conclusion that the Government of India have taken no active steps to stop the practice of specifying particular makes of articles in indents,

your Committee have apparently overlooked the previous correspondence on the subject which is detailed in the margin.

Letter No. S424, dated the 23rd June 1926 ;

Letter No. S424, dated the 18th January 1928.

APPENDIX 70.

DRAFT RULES REGARDING STORES PURCHASE.

No. 356-0, Bombay Castle, 1st October 1928.

From the Government of Bombay, General Department to Chamber.

Subject .—Drast rules regulating the purchase of stores required for the Central Government and Provinces other than Governors' Provinces.

I am directed by the Government of Bombay to forward herewith 5 copies of the draft Stores Purchase Rules published by the Government of India, Department of Industries and Labour, with their Resolution No. S-217, dated the 13th September 1928, and to request that the criticisms, if any, of your Chamber on the rules may be communicated direct to that Government.

No. S-217.

GOVERNMENT OF INDIA.

DEPARTMENT OF INDUSTRIES AND LABOUR.

RESOLUTION.

Simla, the 13th September, 1928.

Under the existing rules for the supply of articles for the public service which were sanctioned in 1924, articles which are not manufactured in India must, except in certain specified cases,

be purchased through the India Store Department, London. Where tenders are called for by that Department, they have to be made in terms of sterling and where the necessity arises of making a choice between the Indian and the foreign article, a close comparison of the tenders offered in India in rupees and the tenders offered in London in sterling is required. The view has been held in many quarters that the existing principles and procedure are not those best calculated to advance the general policy of Government in this matter, *viz.*, " to make their purchase of stores for the public service in such a way as to encourage the development of the industries of the country to the utmost possible extent, consistent with economy and efficiency". It has been stongly urged that the introduction of a system providing for the purchase in India, as far as possible, of all articles, whether Indian of foreign, would best serve the interest both of Indian industrialists and of purchasing departments. These views were reflected in a resolution adopted by the Legislative Assembly in February 1924 which indicated that in the view of the Assembly the existing system of stores purchase was not in the best interests of India and that should be replaced by a system of rupee tenders for delivery in India. And the Government of India, after full consideration of the question, have decided to accept the main principle underlying that resolution, *viz*,, that it should be the general rule that articles required for the public service should be purchased in India, where tenders will be called for in rupees.

2. In order to give effect to the policy now adpoted, the Government of India have framed the draft rules appended to this resolution which embody their provisional conclusions on the subject and are intended to supersede all previous rules relating to the purchase of stores other than printing and stationery stores. The draft rules will be taken into consideration on or after the 1st December 1928 and any criticism or suggestion received with respect to these rules before that date will be considered by the Government of India. The rules, as finally approved, will not be brought into force until a year has elapsed after publication

in their final form. The object of this moratorium is to give time to the departments and firms who may be affected to make the necessary adjustments in their procedure in order to conform to the provision of the new rules.

A. G. CLOW,

Secretary to the Government of India.

Draft rules for the supply of articles required to be purchased for the public service.

Preamble.

The policy of the Government of India is to make their purchase of stores for the public service in such a way as to encourage the development of the industries of the country to the utmost possible extent, consistent with economy and efficiency, and the following rules which are applicable to the purchase of stores (other than printing and stationery stores) for the Government of India and for provinces other than Governors' provinces, are prescribed in accordance with this policy. These rules supersede all previous orders on the subject.

In order to give effect to the above policy, Departments of the Government of India or officers expressly authorized by them in this behalf may, when they are satisfied that such measures are justified, allow a limited degree of preference in respect of price to articles produced or manufactred in India.

Subject to the above, preference in making purchases will be given :—

(*a*) To articles which are produced in India in the form of raw materials or are manufactured in India from materials produced in India over articles wholly or partially manufactured in India from imported materials or articles not manufactured in India, provided that the quality is sufficiently good for the purpose.

(*b*) To articles wholly or partially manufactured in India from imported materials over articles not manufactured

in India, provided that the quality is sufficiently good for the purpose.

(c) To articles held in stock in India over those which would need to be specially imported, provided that they are of suitable type and requisite quality.

Rule 1.—Except as provided in Rules 6 and 7, all articles required to be purchased for the public service shall be purchased in India.

Rule 2.—Unless, either because of the smallness of the order, or for some other sufficient reason to be recorded, it is not in the public interest to call for tenders, tenders shall be invited for the supply of all articles which are purchased in India under these rules. It shall be a condition on which tenders are invited that supply shall be made in India for payment in rupees in India; and no tender which fails to comply with this condition shall be accepted.

Rule 3.—All articles, whether manufactured in India or abroad, for which specifications and/or tests have been prescribed by competent authority, shall before acceptance be subjected to inspection and/or the test or tests during manufacture or before or after despatch from the suppliers' premises, which have been prescribed either in the specifications or otherwise.

Rule 4.—Important plant and machinery and iron and steel work shall be obtained only from firms approved by the Chief Controller of Stores, Indian Stores Department, and specified in the list issued by him from time to time.

Rule 5.—Nothing in the rules shall be deemed to prohibit the purchase of articles by one Department or Railway from another.

Rule 6.—

(i) Seeds;

(ii) Cinchona bark;

(iii) Articles for experimental or research purposes;

(iv) China, glass, cutlery, plate, crockery and perishable fabrics, including linen for residences which are furnished by Government ;

(v) Copper, zinc and other non-ferrous metals produced and purchased in Australia ;

(vi) Timber produced and purchased in Australia or North America :

(vii) Such articles as the Superintendents of Vaccine Depots may require for the preparation of vaccine lymph ;

(viii) Chemicals and scientific instruments :

(ix) Preserved and tinned foodstuffs :

(x) Articles required for Viceregal residences ;

(xi) Any other articles of a special or unusual character :

shall be purchased in India if suitable and economical purchases can be made there, and when purchased in India Rules 2 to 5 shall apply to their purchase. If, however, suitable and economical purchases cannot be made in India, they may be obtained abroad under the following rules :—

(*a*) Where the value of the purchase exceeds Rs. 5,000 the purchasing officer shall place on record his reasons for not purchasing in India.

(*b*) The purchasing officer may at his discretion either obtain the article that he requires by indent on the India Store Department, London, or purchase it direct from manufacturers or dealers abroad. When resort is had to direct purchase from manufacturers or dealers abroad, tenders should, whenever practicable, be first obtained.

(*c*) Payments for articles purchased abroad under this rule in countries other than the United Kingdom

shall be made direct to the suppliers by the purchasing officer. Payments for articles purchased under this rule in the United Kingdom shall be made through the High Commissioner for India.

Rule 7.—Lethal weapons, munitions of war, technical apparatus and equipment, and any other stores required by the Naval, Military or Air Forces of the Crown in India for which drawings, patterns, specifications or designs have been issued, prescribed or announced by the Admiralty, War Office, Air Ministry, Government of India or Commander-in-Chief in India, shall be obtained by indent on the India Store Department, London, unless they are available in India in accordance with prescribed drawing, pattern, specification, or design. Any departure from this rule requires sanction of the Government of India, and whenever an expenditure exceeding Rs. 20,000 is incurred in any individual case to which such sanction has been accorded it shall be reported to the Secretary of State for India in Council.

No. 2666, dated 20th November 1928.

From Chamber to the Government of India, Department of Industries and Labour, NEW DELHI.

The Committee of this Chamber have considered the draft rules proposed by the Government of India for the supply of articles required to be purchased for the Public Services, and are gratified to note that the Government have accepted the principle of calling tenders (a) in India, (b) in Rupee currency, and (c) for delivery in India. The rules under consideration, as far as they go, meet, in a measure, the views emphatically and repeatedly expressed by the commercial community of the country and the Legislative Assembly. My Committee, therefore, approve of the same generally, but would like to make certain suggestions as follows :—

In sub-rule (b) of rule No. 6 of the draft rules the words "in rupees for delivery in India" should be added after the word "obtained".

If suitable and economic purchases are not made in India, the reasons thereof should be recorded; and copies be supplied to the Chambers of Commerce, because the manufacturers will then be able to know what they have to do to conform to Government requirements and conditions.

The India Store Department, London, should be under the control of the Chief Controller of Stores in India, so as to ensure, whenever suitable articles are available, of purchases being made in this country.

With regard to articles mentioned in rule No. 7 of the draft rules, my Committee suggest that the same should be obtained by indent through the Chief Controller of Stores after he has certified that suitable articles, on reasonable terms are not available in India. They would further suggest that whenever purchases have to be made from abroad, the reasons for such purchases should be recorded and a copy be supplied to the Chambers of Commerce.

My Committee hope that Government will be pleased to incorporate the abovementioned suggestions in the draft rules.

APPENDIX 71.

PURCHASE OF STORES BY THE INDIAN STORES DEPARTMENT.

No. 2283, dated 8th October 1928.

From Chamber to the Government of India, Department of Industries and Labour, SIMLA.

The attention of my Committee has been drawn to the very high rates quoted by British manufacturers as against their Continental rivals, particularly in Railway materials. A few instances of this kind could be cited :—

(1). **Times Trade Supplement, London, dated 11-9-26 :—**

A British tender for two haulage cables for the subway railway (Glasgow) quoted £3,115-5-3 for each, while German manufacturers quoted £ 1,684-16-9.

(2). **Cape Argus, dated 22-12-26.**

The South African Union Railway Board decided to place the whole of the order for 55 locomotives, worth £ 500,000 to German firms. It was stated that the acceptance of the British tender would have meant an extra expenditure of £20,000.

(3). **Cape Times, dated 22-12-26 :—**

The following instances are mentioned in the above paper of contracts awarded to foreign countries :—

April 20 : Heavy locomotives to Germany ;

May 23 : Mountain type locomotives to U.S.A.;
May : 500 Steel goods wagons to Belgium. and
October : £ 250,000 worth rails to Germany.

(4). **Financial News, London, dated 19-9-27, from its Johannesburg Correspondent :—**

The tender of a Belgian firm had been recommended for acceptance in respect of 50 fruit wagons for the South African Union Railways. The price quoted was £ 26,750. The only British firm competing quoted 50 per cent. higher than the Belgian tender which had been recommended, *i.e.*, £ 39,000. American tenders varied from £ 33,000 to £40,000. Germans quoted a price somewhere between these figures.

(5). **Times Trade Supplement, London, dated 11-4-28, from its Johannesburg Correspondent :—**

In 1928 the South African Union Railway Administration called tenders for 129 locomotives and tenders were submitted by British, American, Italian and German firms. Contract for 90 locomotives was placed with German firms, the total price being £560,213. It was stated that the Continental price were said to average about 28 per cent. below those of British tenders. Out of

the remaining 39 locomotives, contract for 29 was placed with British concerns ; orders for 10 went to an Italian firm, the Italian firm's price, it was understood, was the lowest.

(6). **Times Trade Supplement, London, dated 3-3-28, from a Correspondent in South Africa :—**

The demand for railway material and equipment was very heavy during 1927. During that year several very large orders were placed by the South African Governments, one tender being for 165 locomotives to a value of over £ 1,600,000. The majority of these contracts, however, were secured by German and Belgian firms. The placing of these orders outside the United Kingdom was the subject of much comment both in South Africa and in England, particularly as British Railway material had been acknowledged as giving better service. But the prices tendered by Continental firms were so much lower than those of the British tenderers, in one case by nearly 15 per cent. that it was generally admitted that the Union Government had no alternative but to take the foreign tenders.

(7). **Financial News, London, dated 4-7-28, from its Johannesburg Correspondent :—**

Tenders for 36 light locomotives were invited and those submitted by the Swiss Locomotive Co., were approved by the Railway Board ; half with steel fire boxes at £5,500 each and the other half with copper fire boxes at £5,685 each, the contract totalling £201,300. The lowest British tender for steel fire boxes was £6,400 each, 18 locomotives costing £115,000 as against £99,000, the Swiss quotation, *i.e.*, 16 per cent. more than the latter for only half the contract.

(8). **Times Trade Supplement, London, dated 21-7-28, from its Johannesburg Correspondent :—**

A contract for narrow guage locomotives was given to the Hanomag group of Hanover at £4,427 each. The German firm was not the lowest, but the British quotation was £5,613 each. Awarding the contract to the lowest British tenderer would have involved an Imperial preference of about 27 per cent.

(9). **Times Trade Supplement, London, dated 14-4-28, from its Transvaal Correspondent :—**

A contract for steel sleepers was placed with German tenderers, the British quotation being 29-26 per cent. higher than the German quotation.

(10). **Times Trade Supplement, London, dated 2-7-27, from its Sydney Correspondent :—**

The Victoria State Electricity Commission placed order with German firms for £43,244 work of materials for extensions at the Yallurn Brown Coal Works. Six tenders were received ; one from Britain, two from America and three from German. After allowing for preference given to British manufactures, *i.e.*, 10 per cent. the English price was found to be 16·7 per cent. higher than the German quotation. This means that the English price was 26·7 per cent. higher altogether.

The above-mentioned instances are with reference to the Self-Governing Dominions.

From all the above instances, it will be seen that the German or other Continental manufacturers have frequently tendered at much cheaper rates than the British manufacturerers, varying, in some cases, from 15 % to 50 %. In the face of these facts, my Committee find it very difficult to understand the statement in the Report of the High Commissioner for India that in 1926-27 only 23·26 per cent. of Stores were broght outside Great Britain. The figures quoted above show very clearly how very much cheaper Continental suppliers are, and if the purchases from India were really made in a way to safeguard her best interests, a much larger portion of Indian orders would have gone to the Continent and saved, her, perhaps, hundreds of thousands of pounds. My Committee are afraid that there is something radically wrong either with the terms of the Indents or with the specifications going from India, and are anxious to know what it is that compels the High Commissioner for India to continue to pay much higher rates in England than he would have to pay to Continental suppliers. They would further urge that Government should very

closely look into it and see that the interests of this country are as closely watched as the authorities in Australia or South Africa do for their respective countries, and that orders for India are placed with the cheapest satisfactory supplier. They need not emphasise that the Continental supplier must be a reliable and satisfactory supplier, when he is able to secure orders from such wide-awake countries as Australia and South Africa.

No. S424, dated New Delhi, the 22nd December 1928.

From the Government of India Department of Industries and Labour to Chamber.

I am directed to refer to your letter No. 2283, dated the 8th October 1928, in which you quote instances in which the South African and Australian Governments have placed orders for railway materials with German and other Contienental manufactures at rates which are lower than those quoted by British manufactures. You observe that if the purchase of stores required for Government Departmants in India were really made by the High Commissioner for India with a view to safeguard the interests of this country, a much larger proportion of the orders would have gone outside Great Britain than indicated in the Report on the work of the India Stores Department, London for the year 1926-27. Your Committee consider that there is probably something radically wrong either with the terms of the indents or with specifications going from India, and are anxious to know the reasons which compel the High Commissioner to continue to pay higher rates in England than he would have to pay to Continental suppliers.

2. In reply I am to invite your attention to the correspondence which passed between the Government of India and the High Commissioner for India on the subject of the purchase of stores for India, a copy of which was forwarded to the President of your Chamber with the letter from this Department No. S360 dated the 27th April 1922. The guiding principle followed by the High Commissioner for India in the purchase of stores is economy

in the expenditure of Indian revenues which bear the cost of such purchase. The India Store Department, London, acts upon the ordinary business principle of accepting the lowest satisfactory tender, the quality of stores offered, reliability of the supplier, facility of inspection and time of delivery being taken into consideration in deciding whether a tender is satisfactory or not. In placing orders for locomotives, wagons, and certain other railway materials, technical reasons require strict adherence to Indian Standard Drawings and Specifications. Under instruction from the Government the High Commissioner for India furnishes half-yearly statements, showing all cases in which tenders other than the lowest have been accepted. These statements are drawn up in four parts, containing (*a*) cases in which a lower foreign tender, including British offers for foreign-made stores, has been set aside, wholly or partially, in favour of a British offer, (*b*) cases in which discrimination has been made between British firms, (*c*) cases in which the discrimination is between foreign tenders, and (*d*) cases in which a lower British tender has been set aside in favour of a foreign tender. These statements when received are placed on the table of the Legislative Assembly and given wide publicity. Copies are also forwarded to the various Chambers of Commerce including your Chamber. It will thus be seen that all possible steps have already been taken by the Government of India to safeguard the interest of the Indian taxpayer.

(5) GENERAL TRADE AND INDUSTRY.

APPENDIX 72.

DIVERSION OF TRADE FROM BOMBAY TO OTHER PORTS.

No. 2477, dated Bombay, 1st/3rd November 1928.

From Chamber to the Government of Bombay, General Department, Bombay.

The question of the diversion of trade from the Port of Bombay and the general depression felt alround has been under the consideration of both the Indian and European commercial communities for sometime. The trade figures of 1927-28 for the Port of Bombay recently published show that after several years of trade depression, the import trade seems to be indicative of a slight recovery, thrugh slowly. But still the general situation is far from being satisfactory and causes grave arprehensions. It is with a view to devise measures for checking the deflection of the trade of this Port that this representation embodying the suggestions of my Committee is addressed to Government and my Committee hope that it will receive due considerations. The steady but sure diversion of certain trades of this Port to other Ports is due to various causes, and my Committee desire to bring before Government some of the most important of these:—

2. The Port of Bombay was once regarded with considerable favour by the commercial and industrial classes, and the bulk of the export and import trade not only of the Bombay Presidency but also of the adjoining territories passed through it. The facilities provided for handling goods and the organised trade markets in the City made Bombay a convenient Port to the business com-

munity for the carriage of goods to and from various parts of the world. The Port, however, has lost ground in recent years partly on account of (1) its costliness, and partly on account of (2) the growing competition of other Ports enjoying various advantages.

3. My Committee would treat the last point at a later stage. During the course of the last 15 years, the cost of living in Bombay has increased due to a variety of causes. This affects adversely the course of trade, and according to the well-known economic maxim : the trade flows to cheaper channels. Apart from the heavy Port Trust charges on various commercial commodities, which will be dealt with later on, the Municipal taxes, handling charges and other incidental charges bear heavily on the export trade of Bombay. In order to clearly appreciate the cost of handling goods at our Port, my Committee submit comparative statements (See Appendix-A) of the handling and other charges for various articles at the various Ports.

4. The situation of the cotton trade of Bombay first compels attention in an enquiry of this character. The comparative tables of charges in Appendix-A (1), for handling cotton at Bombay and Karachi will elucidate the point my Committee have in view. In Bombay, the Town duty, the warehousing charges (Cotton warehouses are controlled by the Bombay Port Trust), wharfage and other Port charges, trading charges such as Muccadum allowances, brokerage, muccadumage and insurance charges, etc., are much higher than similar charges at Karachi. The inequity of the Town duty on cotton has been repeatedly emphasised by the commercial communities, both Indian and European, the Bombay Port Trust and the Bombay Millowners' Association. The Bombay Municipality and the Development Department of the Government of Bombay derive a large income from this tax. My Committee strongly believe that this heavy burden has been greatly instrumental in deflecting Bombay's cotton trade to Karachi. From the export figures (Appendix-B) of cotton from Bombay and Karachi from 1913-14 onwards, it will be seen that the pre-eminent position Bombay once held has been

challenged by Karachi. My Committee believe that the time has come when Government, should seriously think of devising means to substitute this tax by a more suitable cess which may not prove burdensome to the business community of Bombay as this tax has done in practice.

5. The next important item figuring in the export list is Seeds. While the seeds trade continues to hold its own, Bombay has not been able to obtain the natural expansion in it. Madras is gaining ground in this trade and export of seeds from that Port has been steadily increasing. The figures given in Appendix-C show that while Bombay has hardly retained its former position, Madras is forging ahead.

6. In 1913-14 Bombay's export trade of Manganese Ore was a large one ; but since then due to keen competition from Calcutta, it has completely lost its ground. Calcutta had practically killed our export trade in this commodity. The figures given in Appendix-D bring into prominence the severe Calcutta competition. Over and above this competition another factor is to be reckoned with. Marmagoa is perhaps the cheapest and most convenient port on this side. It has lately developed into a suitable port for shipment of Ore both from Portugese and some parts of British India. The loading and other charges for Manganese Ore at Marmago are very low, and besides this the Railway Company gives special facilities in allowing the owners of the Ore to stock the same on Railway plots on nominal rents, etc., thus to that extent encouraging development of a foreign Port.

7. Figures for Hides and Skins. both raw and tanned (See Appendix-E) show that the share of Madras is steadily increasing, while Bombay has suffered a set-back.

8. With regard to the Rice and other classes of Grain trade of Bombay, the comparative figures of cost of handling goods at various Ports given in Appending-A, show that the growing competition from Karachi and Kathiawar Ports has resulted in the steady diversion of trade to these Ports.

9. Coming to the import figures, decline in the sugar trade of Bombay is noticeable and catches attention (See Appendix-F). Bombay's sugar trade has received a blow from some of the Kathiawar Ports. The markets formerly served by Bombay merchants were steadily but slowly encroached upon by Kathiawar merchants.

10. For the last two years or so, the cotton piecegood-market was passing through a severe trade depression. The import figures for 1927-28, however, indicate that the cotton piecegoods trade shows signs of recovery. Figures for imports of cotton piecegoods in Bombay, Karachi, Calcutta and Madras are given in Appendix G. Despite this partial revival, the fact remains, thats the heavy Port Trust charges of Bombay (Vide Appendix-A 6), constitute a great burden on the trade and the Bombay mercantile community find it extremely difficult to hold its own in these days of keen competition from all directions. From the figures given in Appendix-A (6) regarding the Port Trust charges for cotton piecegoods, it will be seen that they are higher than the pre-war charges. The cotton piecegoods merchants have a genuine grievance against the Port Trust, because the heavy Port Trust charges are responsible for affecting the piecegoods trade of Bombay and driving it to the other Ports whose charges in comparison are lower.

11. With regard to Iron and Steel trade, the figures show that Bombay has been able to hold its own, but it has not been able to record its normal expansion. Karachi and Madras are progressing well (vide Appendix-H). My Committee have given figures only of the staple commodities to show how Bombay's trade is in danger of being driven to other Ports in near future.

12. My Committee desire to emphasise the fact that even re-export trade of this Port has of late been handicapped. The table given elsewhere (See Appendix-I) will show how the re-export trade has declined generally and particularly in some of the chief commercial commodities.

13. While considering the question of Re-export trade of Bombay, one is compelled to view with great concern the rapidly declining course of Indian trade with East Africa. Formerly East Africa was a great market with latent potentiality of increase for Indian cotton piecegoods in particular, and other goods generally. Bulk of this export trade was in the hands of Bombay merchants. In 1901, the total share of India in the imports into Kenya and Uganda was 29·2 %. In 1905-11 it declined to 23 % : in 1911-14 it came down to 18 % ; in 1921 to 20 % ; in 1922 to 19 % ; in 1923 to 16 % . in 1924 to 12 % ; in 1925 to 10.8% ; and in 1926 it reached the lowest level of 10·2 %.

14. Having taken a general review of some salient export-import figures for various commercial commodities, my Committee give in Appendix-J comprehensive table showing genera export and import trade of Bombay during the last 9 years.

15. My Committee have noted with satisfaction the partiall revival of the export and import trade of Bombay as evidenced from the latest Returns published by the Bombay Port Trust. But according to the comprehensive Table submitted (Appendix-J) it appears that the volume of import-export trade still compares, unfavourably with pre-war and succeeding years.

16. It is evident from a study of the above figures that the prominent position of Bombay in export and import has of late been challenged by Karachi and Kathiawar Ports. My Committee, while emphasising this, have taken into consideration the fact that there are certain natural and geographical advantage owing to which the cotton grain and seeds trades are being diverted to Karachi and other Ports. But there is sufficient ground for apprehension that it is not only due to these natura l advantages the trade of Bombay is being diverted to other channels, but that, as is freely stated in responsible quarters, some measures of questionable character are adopted by some of our chief competitors to capture our trade. My Committee are aware that Government, as a result of the general outcry, have taken measures for dealing with the alleged practices to develop trade to the detri-

ment of the legitimate trade of British India. They will feel much obliged if Government will be pleased to give them their (Government's) views of the consequences of the Viramgam Cordon. My Committee trust that Government will continue to watch the situation and save trade from having to meet unfair, unequal subsidized competition. They take this opportunity of impressing upon Government the urgent necessity of instituting an Enquiry into this vital aspect of the question under consideration. While dealing with the heavy Port Charges of Bombay, my Committee are aware of the various retrenchments effected in the establishment charges, and making reductions—though small—in Port charges on some articles. My Committee, however, believe that the capital debt and the annual debt charges and the costly administration of the Port Trust weigh heavily on the trade of Bombay and the Port Trust, with all its sincere desire to lighten the burden of Port charges on the different trades, cannot, unless these matters are seriously considered and due action is taken, afford the necessary relief. My Committee have carefully considered particularly the question of heavy Port Trust charges with the respresentatives of the different Commercial Associations, and they all feel that active measures should be taken to reduce the same without impairing the efficiency and working of the Port Trust.

17. The heavy Municipal and Government taxation also affect materially the business community in the City. It is the considered opinion of my Committee that the taxable capacity of the City has already been reached. My Committee strongly feel that the commercial community is unable to bear the existing taxation and that efforts should be made to make an effective reduction in the same.

18. To summarise, the following causes seem to my Committee to operate against Bombay as an exporting and importin Port :—

(1). Heavy handling and other incidental charges, due to costliness of Bomba

(2) Heavy Port charges ;

(3) High Municipal and Provincial taxation ;

(4) Competition from other Ports due to their geographical position and comparatively lower charges ;

(5) Means of questionable character adopted with regard to the development of other Ports.

19. In view of the urgency and importance of the matter, my Committee desire to emphasise the necessity of joint action on the part of all interested in the trade of Bombay. *viz*,, the Government of Bombay, the Bombay Port Trust, the Bombay Municipality, the Railways, the local Commercial bodies : Shipping Companies, etc., for ascertaining the exact causes of the trade deflection and the possible remedies to remove the same. They, therefore, suggest that an authoritative and fully representative Committee should be appointed with sufficient powers to collect the necessary materials, and to make a comprehensive enquiry into the whole question. It is needless to assure Government that all those interested in this matter will be glad to cooperate with them in such an Enquiry.

20. My Committee have dealt with the question in a general way with a view to clearly put forth the opinion of the Indian commercial community, and they hope that Government will be pleased to do the needful at the earliest opportunity.

APPENDIX A (1).

Comparative table of charges payable by the upcountry constituents for handling cotton in Bombay and at Karachi as worked out on the basis of two months (the period required for disposal of cotton), at the rate of Rs. 150/- per bale. These charges are for cotton placed in a Jaitha or godown for local sale as distinct from charges pertaining to export business :—

Cold Season.

per bale.

	Bombay.	Karachi.
	Rs.	Rs.
Cartage	0 3 0	nil.
Town duty	1 0 0	nil.
Octroi	nil.	nil.
Terminal Tax	nil.	0 2 0
Jetha Rent	0 2 0	0 6 0
Insurance	0 8 0	0 2 0
Muccadumage	1 0 0	0 5 0
		Including muccadumage .. 0-1-0
		*Piling .. 1-0-0
		*only 50% of cotton is liable to this charge.
		Weighing .. 0-3-0
		0-5-0
Repairing charges	0 2 6	0 2 6 (estimated).
Sampling charges	0 8 0	nil
Brokerage	0 12 0	0 6 0
Commission	1 8 0	1 8 0
Charity charge (including Panjrapole,)	0 0 8	0 2 9
	6 8 2	3 10 9

Comparative Table of charges for handling cotton in Bombay and at Karachi as worked out on the basis of two months at the rate of Rs. 150/- per bale. These charges are for cotton placed in a Jaitha or godown and are inclusive of charges appertaining to export business :—

	Rs.								
Cartage	0	3	0	nil.					
Town duty	1	0	0	nil.					
Octroi		nil.		nil.					
Terminal Tax		nil.		0	2	6			
Jetha Rent	0	2	0	0	2	0			
Insurance	0	8	0	0	2	0			
Muccadumage	1	0	0	0	5	0			
				Including muccadumage.			0	1	0
				*Piling ..			0	1	0
				*only 50% of cotton is liable to this charge.					
				Weighing ..			0	3	0
							0	5	0
	Rs.			Rs.					
Repairing charges ..	0	2	0	0	2	6			
Sampling charges ..	0	8	0		nil.				
Brokerage	0	12	0	0	6	0			
Commission	0	12	0	0	12	0			
Interest	1	8	0	1	8	0			
Charity charges including Panjrapole.	0	0	8	0	2	9			
Loading	0	0	9	0	0	6			
Unloading	0	0	4½	0	0	3			
Tolley charges ..		nil		0	0	6			
Marking	0	0	6	0	0	6			
Cartage to Docks ..	0	4	0		nil.				
Wharfage	0	12	0	0	8	0			
Dock Muccadumage ..	0	1	0	0	1	0			
*Cotton Cess	0	2	0	0	2	0			
Measurement	0	0	6	0	1	0			
	7	12	9½	4	8	3			

**A cess at the rate of 2 annas per standard bale is levied on all cotton produced in British India and either exported from any Customs Port to any Port outside British India or consumed in any Mill in British India (vide Sec. 3, Indian Cotton Cess Act, 1923).

* * * * *

APPENDIX A(2).

Handling charges for Sugar
(per ton).

	Bombay.	Karachi.	Okha Port.	Bedi Bunder.
	Rs.	Rs.	Rs.	Rs.
Wharfage	1 8 0	1 12 0	0 14 0	1 4 0
Ry. Siding charge per wagon of 4-wheels containing on an average of 135 bags at Rs. 5/-	0 6 6			
Loading charges	0 4 0			
Loss incurred in receiving refund of Town duty	0 2 3			
Extra fees..	0 12 0		0 3 6	0 2 0
Extra fee how computed (every)	2 days		1 day	month
Free days allowed	5 days		10 days	15 days.
Total charges ..	3 0 9	1 12 0	1 1 6	1 6 0

* * * * *

APPENDIX A(3).

Handling charges for Grain and Seeds.

BOMBAY: per 100 tons.	Pre-war charges. Rs.	Present charges. Rs.
Dock charges ..	70 0 0	112 0 0 including 50% surtax.
Unloading ..	12 0 0	29 0 0
Total ..	82 0 0	141 0 0

At Bombay the railborne exports incur in addition to the present Dock charges Railway freight at Rs. 14/- per 4-wheeled wagon of 20 tons capacity.

KARACHI: The unloading on the Wharf is done by the Port Trust, the charge for which and for the use of the railway wagons and for the conveyance to the Ship's side is covered by wharfage charge— *i.e.*, Dock Charge.

MARMAGOA Loading and unloading is done free by the Railway.

CALCUTTA : The Dock charges for Grain and Seeds works out at Rs 0-8-0 per ton, to which must be added annas ten for River dues.

BEDI BUNDER & OKHA PORT: There are no loading and unloading charges at these Ports.

* * * * *

APPENDIX A(4).

Charges for Seeds per ton of 20 cwts.

Bombay.	Karachi.	Calcutta.	Madras.	Bedi Bunder.
Rs.	Rs.	Rs.	Rs.	Rs.
1 2 0	1 4 0	0 8 0 plus 0 12 0	0 8 0	nominal.

Loading and unloading charges at Bombay are Rs. 12/- per 100 tons, whereas at certain other Ports they are included in the Port charges.

* * * * *

APPENDIX A(5).

Charges based per ton of Rice transhipped directly.

	Bombay.	Bedi Bunder.	Okha Bunder.	Karachi.
	Rs.	Rs.	Rs.	Rs.
Port dues and sur-tax @ 50%	0 15 0	1 11 0	0 13 6	1 3 0
Ry. siding charge per 4-wheeled wagon containing on an average 135 bags at Rs. 5/-	0 8 0	nil	nil	nil.
Loading & unloading	0 11 0	nil	nil	nil.
Extra fee charge	0 7 6	0 2 0	0 6 0	0 2 0
Town duty refund cess ..	0 3 6	nil	nil	nil.
Free days for clearance of import cargo ex-docks	5 days	15 days	10 days	5 days.
Extra fee how computed (one extra every)	2 days	15 days	week	week.
Total ..	2 13 0	1 13 0	1 3 6	1 5 0

APPENDIX A(6).

The following figures represent the 1913 and 1928 charges for Piecegoods and are admitted by the Bombay Port Trust to be correct:

	1913.	1928.	% increase.
	Rs.	Rs.	
Loading	0 4 0	0 9 0	125%
Storing	0 2 0	0 3 0	50%
Warehousing	0 0 6	0 1 9	250%

* * * * *

APPENDIX A(7).

Handling charges for Iron (per ton).

	Okha Port.	Bombay.
	Rs.	Rs.
Wharfage dues ..	0 13 0 (free in transit shed 10 days).	2 4 0 (free 5 days only).
„ extra ..	25% (of the wharf dues; period of 10 days extended).	50%(of the wharf dues; period of 7 days extended).
Storing charges for removing by consignee	0 3 0	0 13 6
Rental per week ..	0 0 8 ..	0 2 10½(and vide Vo W/9-2-154).
Total Rs.	1 1 2	3 10 4½

APPENDIX B.

Exports of Cotton from Bombay and Karachi (In tons).

Year.	Bombay.	Karachi.
1913-14	380,464	74,678
1914-15	388,185	72,297
1915-16	357,573	32,081
1916-17	379,429	19,982
1917-18	333,635	1,914
1918-19	163,341	779
1919-20	345,536	16,000
1920-21	292,181	38,487
1921-22	431,328	36,245
1922-23	488,403	67,217
1923-24	527,584	92,851
1924-25	415,401	119,595
1925-26	484,964	179,680
1926-27	373,925	146,995
1927-28	303,756	131,558

APPENDIX C.

Exports of Seeds from Bombay, Madras and Karachi.
(In tons).

Year.	Bombay.	Madras.	Karachi.
1913-14	786,115	77,483	224,314
1918-19	219,591	16,542	92,249
1919-20	353,853	49,283	200,121
1920-21	222,194	44,469	179,120
1921-22	246,106	117,887	131,855
1922-23	420,538	100,989	258,816
1923-24	402,629	89,266	298,213
1924-25	492,497	142,192	237,634
1925-26	502,280	160,888	159,696
1926-27	231,155	166,060	97,696
1927-28	467,840	253,053	80,198

APPENDIX D.

Exports of Manganese Ore from Bombay and Calcutta.
(In tons).

Year.	Bombay.	Calcutta.
1913-14	606,724	74,575
1914-15	365,286	61,054
1915-16	392,915	77,648
1916-17	394,146	233,337
1917-18	247,608	178,323
1918-19	180,376	204,935
1919-20	249,667	127,894
1920-21	391,650	375,582
1921-22	279,084	234,081
1922-23	406,832	365,385
1923-24	347,723	381,290
1924-25	277,009	326,399
1925-26	279,340	269,584
1926-27	227,176	301,418
1927-28	266,273	

APPENDIX. E.

Exports of Hides & Skins from Bombay and Karachi.
(in tons.).

Year.	Bombay.		Madras.	
	Raw.	Tanned.	Raw.	Tanned.
1913-14 . . .	6,878	2,436	1,521	12,237
1918-19 . . .	8,355	4,235	3,205	23,813
1919-20 . . .	7,070	5,097	4,066	22,836
1920-21 . . .	4,483	710	1,828	5,570
1921-22 . . .	5,680	2,336	3,067	7,902
1922-23 . . .	7,736	1,486	2,215	12,064
1923-24 . . .	6,538	1,635	3,328	15,384
1924-25 . . .	3,457	2,204	2,937	16,128
1925-26 . . .	4,396	1,580	2,738	15,908
1926-27 . . .	4,974	1,727	2,266	15,825
1927-28 . . .	4,195	2,539	2,762	20,227

APPENDIX F.

Imports of Sugar into Bombay and Karachi.
(in tons).

Year.	Bombay.	Karachi.
1913-14	215,880	185,847
1918-19	139,939	49,135
1919-20	144,442	42,233
1920-21	82,569	50,549
1921-22	162,646	176,920
1922-23	153,217	97,424
1923-24	128,879	98,231
1924-25	183,920	194,072
1925-26	188,298	171,031
1926-27	183,154	232,458
1927-28	176,397	152,075

APPENDIX G.

Imports of Cotton Piecegoods into Bombay, Karachi, Madras and Calcutta in yards(000,000 omitted).

Year.	Bombay.	Karachi.	Calcutta.	Madras.
1913-14	822	414	1,586	219
1918-19	384	146	513	37
1919-20	252	149	587	40
1920-21	437	277	638	62
1921-22	209	128	653	41
1922-23	290	218	933	65
1923-24	368	220	754	70
1924-25	410	323	906	78
1925-26	376	250	768	52
1926-27	349	338	887	82
1927-28	427	320	...	64

APPENDIX H.

Imports of Iron and Steel into Bombay, Karachi and Madras. (In tons).

Year.	Bombay.	Karachi.	Madras.
1913-14	279,941	85,435	73,087
1918-19	47,634	6,814	8,576
1919-20	115,197	24,375	17,776
1920-21	191,698	58,965	42,867
1921-22	217,164	52,257	43,128
1922-23	262,699	82,265	69,115
1923-24	312,725	75,662	60,993
1924-25	306,383	91,317	62,900
1925-26	264,454	96,836	77,583
1926-27	225,506	84,250	81,221
1927-28	284,296	122,067	107,705

APPENDIX I.

Re-exports from the Port of Bombay.
(In lakhs of rupees).

Year.	Total value.	Cotton mfrs.	Sugar.	Silk. mfrs.	Matches.
1918-19	1050.3	547.5	113.5	36.3	7.8
1919-20	1209.02	451.6	166.8	42.5	9.8
1920-21	1193.7	325.0	318.3	17.8	3.0
1921-22	1023.3	336.2	101.8	13.3	3.3
1922-23	1087.7	315.0	168.6	5.5	11.8
1923-22	915.1	243.4	64.3	4.7	10.4
1924-25	990.9	219.3	62.8	3.7	5.3
1925-26	757.8	131.9	30.5	2.1	4.8
1926-27	537.4	97.3	16.0	2.2	1.8
1927-28	693.8	107.7	44.2	2.6	1.6

APPENDIX J.

Total tonnage of imports and exports at Bombay Docks and Bunders.

Year.	Imports.	Exports.	Total.
1919-20	3,139,000	3,114,000	6,253,000
1920-21	3,322,000	3,750,000	6,072,000
1921-22	3,978,000	2,747,000	6,725,000
1922-23	3,499,000	3,336,000	6,835,000
1923-24	3,174,000	3,082,000	6,256,000
1924-25	3,418,000	3,041,000	6,459,000
1925-26	3,476,000	2,984,000	6,460,000
1926-27	3,159,000	2,434,000	5,593,000
1927-28	3,705,000	3,004,000	6,709,000

APPENDIX 73.

TEXTILE MILL STRIKE.

Municipal Office,

Bombay, 10th September 1928.

From Dr. G. V. Deshmukh, President, Bombay Corporation to the President, Indian Merchants' Chamber.

We all hope that the present disastrous millstrike would soon come to an end. From the experience of the last few months it is not to be expected that the parties if left to themselves will come to an amicable settlement. It is very necessary therefore that important Public Bodies like that of yours should take the matter in hand and help in showing a way out.

The stumbling block has been the wages to be paid in the interim. The Enquiry Board and the Standardization Scheme if worked out jointly by the representatives of both the sides, are, advantages which are seen by both sides. How to make the worker see the advantage of standardization is the only difficult problem at the present time. If a worker on the Weaving Side were told 'Take the Standardization Scheme as worked out by the Mill-owners, in the first month you may be given 25% increase, in the second month 20% increase, in the third month 15% increase etc., by the time the Joint Standardization Committee will work the Standardization Scheme and the Enquiry Board pass it', withr all the adavantages this kind of arrangement would give him, he would not accept it. His answer will be and is 'I don't under stand these percentages'.

I have therefore suggested a method in the accompanying memo based on the wages which were in force in March 1928. It is more likely that the workmen will accept this in preference to Standardization for the interim.

I shall be very thankful for the co-operation and help of your influential Body in this public cause.

MEMO.

1. The Mills should be opened and the strike called off immediately.

2. Both parties, Mill-owners and Strikers, agree to an Enquiry Board consisting of 3 persons not connected with the Industry and assisted by two Assessors on each side. The decision of the Board shall be binding on both sides.

3. The Board shall determine

(a) The Standardization of Wages,

(b) The state of the Inquiry

(c) Whether reduction of wages is justifiable or not, and

(d) Whether the demands of the Strikers are reasonable or not ?

4. Pending the decision of the Board the wages to be paid to the Strikers for the Interim should be as follows:—

(a) In the case of Mills where there was no appreciable reduction in wages and the workers of which have gone on "Sympathetic Strike" the wages should be those existing on 31st March 1928.

(b) In the case of Mills where there has been reduction and cut in wages the workers should receive 10% more than the wages of March 1928.

(c) In the event of dispute over the question of reduction of wages the matter should be referred to the Enquiry Board, and the decision of the Board should be binding and should have a retrospective effect.

No. 2050, dated 12th September 1928.

From Chamber to Dr. G. V. Deshmukh, President, Bombay Municipal Corporation, Bombay.

I have been asked by my Committee to acknowledge your letter, dated 10th September 1928 and addressed to the President of this Chamber, which was considered at their meeting held yesterday. My Committee have felt for a considerable time that the Strike was doing not only a lot of harm to the Textile Industry and the workmen engaged therein but was also having adverse effect on the trade of the City generally. My Committee, therefore, welcome every effort made in the direction of securing a lasting settlement.

They have considered the concrete suggestions made by you towards this end and they fully endorsed the first principle viz: that the Strike should be ended and work should be resumed pending the consideration of the question of wages by a competent and impartial Committee.

With regard to the personnel of the Committee, the dominant note sounded in the discussion in my Committee was that the physical presence of at least two representatives of both sides as assessors would be insisted upon and would be helpful. As to the actual membership of the Committee since it is essential that both parties should accept its findings and abide by them loyally, it should be one which would command absolute confidence of both sides. One of the suggestions was that three members should be nominated by Government, but most members of my Committee were in favour of a panel of 10 gentelmen to be agreed upon by both sides from whom three members may be selected. This seems to be a more suitable method than the restriction of the selection to three in the first instance.

My Committee were in absolute agreement that there should be an intervening period during which the enquiry will proceed and during this intervening period a scale of wages should be paid which would be previously agreed upon. While approving this

method, my Committee felt that any particular basis and any excess over any particular basis which was to be paid during this intervening period was a matter to be agreed upon by the strike Committee and the Millowners' Committee. They would, however, hope that in view of the very large issues involved both sides would stretch a point and come to an agreement either on the basis suggested by you or on some other suitable basis, as after all this basis would only apply to a short period of 6 to 8 weeks.

In conclusion my Committee wish you every success in this great public effort which you are making and would assure you of every co-operation towards the settlement of the Strike and early resumption of work which is now necessary in the interests of all concerned as well as in the interests of trade and prosperity of Bombay.

APPENDIX 74.

JOINT DEPUTATION OF THE TWO LOCAL CHAMBERS OF COMMERCE TO H. E. THE GOVERNOR OF BOMBAY RE: THE PRESENT INDUSTRIAL SITUATION IN THE CITY.

A joint deputation representing the Bombay Chamber of Commerce and the Indian Merchants' Chamber waited upon His Excellency the Governor of Bombay on Friday, the 21st December 1928. The members of the deputation were Mr. H. H. Sawyer, Mr. E. C. Reid, Mr. L. R. Tairsee, Mr. B. F. Madon and Mr. Lalji Naranji.

On behalf of the deputation Mr. Sawyer read the following statement :—

"May it please Your Excellency,

We understand that a deputation of the Bombay Millowners' Association waited upon Your Excellency on Monday last to bring

Your Excellency's notice the state of affairs, as it exists now, in the mill area in Bombay. We also understand that they have represented to Your Excellency, giving details, as to various incidents in some of our mills in Bombay, which purport to indicate an atmosphere of terrorism in the mill area, and how respect for Law and Order appears to have lost its hold on that part of the City. We have heard details of these incidents, and do not wish to repeat them here, but we are told that, if necessary, sworn affidavits relating the incidents referred to above can, if desired be submitted to Government for their satisfaction.

The relations between labour and its employers in Bombay Textile Mills have been strained for about eight months now, and the strike which began in May last continued for a period of six months and is the longest in the memory of this generation. We sympathise with Your Excellency that just at the very commencement of Your Excellency's term of office you should have to give your serious attention to this all important question, with which the prosperity of the City is much concerned. It is not our intention to represent to Your Excellency the question of prosperity or adversity of the Textile Industry in Bombay. Far from it. We have sought this interview to draw Your Excellency's attention to a much graver question of vital importance to this City in particular, and the Presidency as a whole, and which threatens to be still worse, should immediate steps not be taken by Your Excellency's Government.

As Your Excellency may be aware there are serious differences of opinion regarding the policy of the Government of India in connection with the Industries of this country and especially the Textile Industry of India. We do not wish to raise this question to-day, for the simple reason that Your Excellency's Government do not have any direct voice in this matter, but we cannot help remarking that there is a strong feeling that the causes which the Millowners' Association referred to are but the external symptoms of the root cause. In our opinion the principal cause is the hardship inflicted on the Textile Industry in common with many others, through the Exchange and Currency Policy of the

Government of India, who refused to give effect even to the modest recommendations of the Tariff Board's report submitted after exhaustive enquiry.

As Your Excellency is perhaps aware the Textile Industry in Bombay early this year found that it could not make both ends meet and, therefore, devised various schemes for economy in working which were in accordance with the Tariff Board's report, but their action has been unfortunately met with opposition from labour. Thereupon their present leaders came on the scene to assist them and increased this opposition, and aggravated it, with the result that it has reached such a pitch that any one who does not agree with them appears to be in danger. This being so we have no hesitation in stating that the situation admits of no further delay in re-establishing Law and Order. As to the measures necessary, it is not for us to indicate what they should be. We, representing Bombay's Trade and Commerce, are here to draw Your Excellency's attention to the grave state to which things have drifted. In our opinion, Your Excellency's Government have ample and necessary powers to deal with the situation, and being of this opinion, we do not wish to deal further on this point.

Having indicated the root economic cause of our labour troubles, we wish to emphasize our opinion that dealing with the symptoms can but be palliative. We trust that Your Excellency will impress on the Government of India the urgent need of serious reconsideration of their policy regarding Industries in this Country as a whole.

In conclusion we are obliged to Your Excellency for "the interview you have granted".

His Excellency replied to the deputation as follows :—

"I am glad to meet you, gentlemen, this afternoon, and to hear the views of the two important bodies on whose behalf you have been authorised to speak, which represent practically all the important commercial and business houses in Bombay, both European and Indian.

In view of the seriousness of the industrial situation in Bombay at present, and the possibility of dangerous development in the future, I am anxious to obtain a true perspective of the whole position, and to look at the problem from all possible angles. As you know I received a deputation from the Millowners' Association last Monday and my Government is considering carefully the views and suggestions put forward by them.

I have listened with very great interest to all that has been said by the members of the deputation. What has struck me most, so far as I have been able to study the history of the last nine months as a whole, is that during that time, in spite of the large number of hands involved in the stoppage of work there has been, on the whole, so little damage done to person or property. For this I think great credit is due to the excellent police arrangements that have been made by the Commissioner of Police, and in this connection I am not referring merely to the measures which have been taken to prevent violence, but also to the close touch maintained between the police and the strikers in such a way as to retain, on the whole, the confidence of the men who are out of work. Credit is also due to those of their leaders who have advised them, in their own interests, to refrain from creating disturbances, and so losing the sympathy of the public.

I do not wish to minimise at all the seriousness of the unfortunate clash that occurred on the 12th of Decembar between the police and a body of strikers to which my attention had been drawn, and it is our duty to do what we can to prevent such incidents. Those who are anxious to prevent their right of meeting in a peaceful and law-abiding manner must realise their responsibilities, and I hope that they will do so in such a way as to avoid a repetition of the disturbance which took place last week.

I am thankful to you, gentlemen, for favouring me with your views and suggestions, and I can only assure you, at this stage that they will be carefully considered by my Government."

APPENDIX 75.

EXTENSION OF THE DEFERRED REBATE SYSTEM BY STEAMSHIP COMPANIES FOR SHIPPING SUGAR FROM JAVA TO INDIA.

No. 2901, dated 17th December, 1928.

From Chamber to the Government of India, Department of Commerce, New Delhi.

SUBJECT :—Extension of Deferred Rebate system by Conference Line steamers re shipping of sugar from Java to India.

I am directed by my Committee to address Government on the above subject as follows :—

My Committee have recently received complaints from some Indian sugar merchants to the effect that the Conference Lines, with a view to prevent the outside tonnage in participating in the carriage of sugar trade between Java and India, and to hit at the same time the Indian importers who are building up the sugar trade have adopted an exceedingly igenious move by the introduction of a new clause in the shipping contract to the effect that not only will the shipper forfeit his rebate if he were to ship sugar by steamers of non-Conference lines, but he would also forfeit the rebate due to him if the consignees, to whom he might have sold the cargo, were to import sugar by non-Conference line steamers. My Committee submit that this is a very dangerous extension of an admittedly undesirable system of Deferred Rebates, quite unknown in the shipping circles uptil now. It is calculated to penalise the parties for acts of those over whom they have no control. This is a wrong principle now sought to be enforced

upon both the shippers and consignees, and throw them absolutely at the mercy of the Conference Lines. My Committee are opposed to such a step of the Conference Lines.

I am, therefore, directed to place this matter before Government, and enquire what they intend doing regarding the same.

An early reply will oblige.

APPENDIX 76.

ARMY CONTRACTORS' SYNDICATE.

No. 900, dated 5th April 1928.

From Chamber to the Government of India, Army Department New Delhi.

The attention of my Committee has been drawn to the new system adopted by the Army Department of having a syndicate of Army Contractors. It is felt that the new system will not be favourable to petty contractors, who will have some difficulties regarding finance. They were upto this time financed by wholesale merchants from whom they purchased their requirements, whereas under the new system they will have to pay cash to syndicate. It will mean introduction of a preferential treatment of the syndicate, for contractors will not be able to get their materials at cheap rates as they used to do from wholesale merchants. My Committee believe that under the old system there was scope for open competition as between the wholesale merchants themselves but that there will not be any tenders or other safeguards with regard to the new system which may thus tend to kill local trade. They recognise that Government are justified in having an organization on the safety basis line but the proposed organisation is not satisfactory. This new organisation, my Committee feel, has been practically forced upon the contractors

who first started an Army Contractors' Association and proposed the constitution of a syndicate on quite different lines from what have been accepted. My Committee beg to emphasise that the syndicate must be required to sell at the same rate as the local traders and wholesale people, and that the contractors should be allowed to get their supply even from these and not be made to restrict themselves to the new syndicate. It must be the contractors who must be the ultimate judges as to where to purchase. My Committee further suggest that shares of the new syndicate should be thrown open to traders and wholesale merchants, whose representation on the Board of Directors should also be provided for.

A Sub-Committee of this Chamber had an interview with Mr. Murray, Managing Director of the Syndicate and my Committee feel that there is much room for the Indianising of the services of the Syndicate. It appears that besides a very highly-paid Managing Director there will be about 5 or 6 well-paid European officers and perhaps even more, and my Committee submit that looking to the fact that suitable Indians in this particular line are not difficult to obtain, all these officers may be replaced by Indian officers as soon as possible.

No. 4496/1(Q.M.G. 3), Simla, the 25th May, 1928.

From the Government of India, Army Department, to Chamber.

I am desired to thank you for your letter of the 5th April 1928, and in reply to explain the reasons underlying the scheme for a Syndicate of Army Contractors regarding which certain misapprehensions appear to exist.

2. Before the Great War the Army Canteen System in India was based on the principle of individual contractors. The experiences of the war provided ample proof that, under this system, it was impossible to cope with modern military requirements and, though during the course of the war various methods wer-

improvised to deal with the situation, yet especially in the earlier years and in the more remote threatres the supply of Canteen stores remained inadequate. On the conclusion of ths Afghan War, during which the situation of **Canteen Stores** was particularly unsatisfactory, it was recognised that a Central organisation was essential, for, as your Committee are doubtles aware, Canteen stores, which in pre-war days were inclined to be regarded as luxuries, are now recognised as essential to the well being of soldiers, both British and Indian, on service. The first attempt to put the supply of Canteen stores on a satisfactory basis or war took the form of the Army Canteen Board (India). This institution failed for reasons into which it is not necessary to enter here, and, as a temporary measure, the system of individual Canteen contractors was re-established. Individual Canteen contractors have in the past rendered loyal and devoted service to the Army and in view of this record Government are impressed with the desirability of fitting them into their ultimate scheme if possible. But your Committee will realize that, however anxious Government may be to assist the contractor, the first essential of any system of Canteen organisation must be its adaptability for field service conditions and the Army cannot accept any scheme which does not ensure the smooth and satisfactory supply of Canteen stores under such conditions. To postpone the creation of a suitable organisation until war is imminent would be fatal to efficiency: it must be in operation in peace otherwise for a period that may extend to many months it will be impossible to secure a steady and adequate supply of these essential stores to the troops in the Field. Your Committee will, it is hoped, realise the importance of this aspect of the case to the military authorities and will understand that a system that may be quite satisfactory in peace conditions cannot be accepted by them unless they are satisfied that it is equally suitable in time of war.

3. The system of uncombined individuals contractors has, as stated above, proved unsuited to modern war requirements. In the case of overseas stores there is only one means by which continuous and adequate provision can be secured and that is

by a central organisation that will maintain in the ordinary course of turnover a reserve of supplies and will be capable of immediate expansion to ensure the rapid and automatic delivery of the vastly increased supply which must be obtained immediately on the imminence of war. The suggestions advanced in the first paragraph of your letter are incompatible with an organisation of this character.

4. It is in no sense derogatory to the many well known wholesale merchants in India to maintain that they are not in a position to cope with the requirements of the Army for you are doubtless aware that even in England, where the great proportion of Canteen stores are manufactured, it has been found necessary to institute the Navy, Army and Air force Institutes as a Central organisation for the supply of Canteen stores to the Navy, Army and Air Forcin and if this course is necessary where plentiful supplies exist te the country, it is all the more essential in India which has to impor, the great bulk of these supplies.

5. The military authorities aim at maintaining the contractor system if it can possibly be combined with an organisation that has a reasonable chance of fulfilling essential war requirements. With this object they have examined several proposals and after most careful deliberations have come to the conclusion that the scheme which you criticise is the only one which is likely to hold out any reasonable prospect of success. The only possible alternative is to dispense entirely with the services of the contractors and to transfer the supply of Canteen stores to an Army organisation similar to those which are now responsible for the ordinary rations, clothing and other stores that the Army requires. Your Committee will agree that a Syndicate scheme, which will ensure that the deserving class of Indian Canteen contractors is still maintained, preferable to a scheme which would throw them out of employment.

6. Your Committee may also rest assured that the question of recruiting Indians for the higher posts under the Syndicate will be treated with every possible sympathy. The Army is closely

concerned with the selection of this staff as it will take over the business on the outbreak of war and will find it necessary to employ the higher members of the existing peace subordinat staff in responsible positions in Canteens in the war area. Thus the personnel should not only possess adequate experience of canteen supply under the conditions which exist in peace in large centres such as Bombay and Karachi but must, in most cases, possess the special qualifications which are essential for the efficient supervision of canteen arrangements in the very different and much more difficult situations which obtain on the frontier or in areas of active operations.

APPENDIX 77.

ISSUE OF ALLURING PROSPECTUSES BY FOREIGN ENTERPRISES FOR ATTRACTING INDIAN CAPITAL ABROAD.

No. 2068, dated 14th September, 1928.

From Chamber to the Government of India, Department of Commerce, Simla.

My Committee had occasion in the past to deal with the subject of the investment of foreign capital in India. I am directed in this communication, however, to refer to the investment of Indian capital abroad. For reasons for which the External Capital Committee decided that it was not desirable to interferel unduly with the flow of capital and investments in India in view of the dearth of Indian capital and savings, it would seem prima facie necessary to watch the manner in which the savings of the Indian people are attracted abroad. Serious issues in this direction had not, however, arisen in the past, but as they have begun now, my Committee consider it most necessary that the matter should receive the consideration of the Government of India.

The point, which would merit immediate attention, is the activities of concerns, whose **bona fides** may be open to doubt. My Committee do not desire, in writing this letter, to refer to any company now operating, or which has operated in the past, but they feel that active measures on behalf of a company, which sets out in attractive prospectuses chances of multiplying many times the funds invested, are bound to succeed in playing on the greed and ignorance of many people. The curtain is occasionally lifted when there are defalcations or losses resulting in Law suits or when an aggrieved investor vents his grievances in a letter to the Press. What is necessary is to stop the mischief before it starts and to devise, therefore, some means enabling the small investor to ascertain the main facts with regard to an enterprise located, for which his support is being canvassed.

My Committee would feel grateful if Government will enlighten them whether they have received any complaints in this direction and whether their aattention has been drawn to this evil, which, there is reason to believe, is very much on the increase.

As very large questions of policy are involved in this consideration of the above subject, my Committee would content themselves at present with the request for a statement of policy from Government.

APPENDIX 78.

COLOURING OF VEGETABLE OILS BEFORE IMPORT INTO INDIA.

No. 246-9444-A, Bombay Castle, 28th July 1928.

From the Government of Bombay, General Department to Chamber.

SUBJECT :—Colouring of vegetable oils before import into India.

I am directed to forward herewith copies of the correspondence from the Government of India noted in the margin, and to request that you will be so good as to favour Government with the views of your Chamber not only on the proposals made by the Government of the Punjab regarding the colouring of vegetble oils but also as regards any alternative proposal which may commend itself as a means of ensuring that the purchaser of pure ghee obtains the pure article. The Government of Bombay would also be glad to be informed whether in the opinion of your Chamber the use of the vegetable products in question is injurious to health, as is alleged in certain quarters.

Extract paragraphs 1-2 of the letter from the Government of India, No. 532-T(2), dated the 5th July 1928.
Letter from the Government of the Punjab, to the Government of India, No. 33106-H.-Medl., dated the 15th December, 1927.

Copy of extract paragraphs 1—2 of the letter from the Government of India, No. 532-T (2), dated the 5th July 1928.

I am directed to forward a copy of a letter from the Government of the Punjab, dated the 15th December 1927, recommend-

ing thaf the import of **Vanaspati ghee** and similar vegetable products into, or their manufacture within, British India should be prohibited unless they are coloured in such a way that they cannot be mixed with or passed of as natural **ghee** without immediate detection. This recommendation is based on the ground that the products in question are being sold on a large scale, mixed or unmixed with natural **ghee**, as natural **ghee**, and that the enforcement of the provisions if the Punjab Adulteration of Foods Act would not act as a preventive.

2. The Government of India appreciate the importance of effective measures being taken to ensure that the article sold under the description of **ghee** is really pure **ghee** but they apprehend that the Local Government's proposals may have far reaching implications. The colouring, if it is done with an aesthetically offensive colour, might discourage the trade in these vegetable products which, though deficient in vitamins, are believed to be harmless in themselves, and if supplemented by other substances containing vitamins, may be beneficial to those who consume them. The adulteration of ghee is also not a new practice, and it is well known that the oils and fats used for this purpose are often most offensive and deleterious substances, at time even obtained from the carcasses of diseased animals. It is possible therefore that the method recommended by the Punjab Government may lead to the extended use of these directly harmful adulterants a result which it is obviously most essential to avoid. Again, the demand for pure **ghee** is understood to be much in excess of the supply. If therefore the proposed colouring of the vegetable products should have the effecti of restricting their sale, the price of **ghee** which is already very high, may be considerably increased.

* * * * * *

No. 33106-H/Medl., dated Lahore, the 15th of December, 1927.

From

J. G. Beazley, Esq., I.C.S.,

Secretary to Government, Punjab,

Transferred Departments,

To

The Secteraty to the Government of India,
Department of Education, Health and Lands.

SUBJECT.—Colouring of hardened oils such as 'banaspati ghi' before import to India.

Sir,

I am directed by the Punjab Government (Ministry of Local Self-Government) to forward a copy of the report on the debate which took place in the Punjab Legislative Council on the 23rd November 1927, on a resolution in respect of 'banaspati ghi' and to say that the Punjab Government (Ministry of Local Self-Government) is convinced that cheating on a large scale is being practised and that these products (which are deficient in vitamins which are essential for the proper growth of young children and the nourishment of nursing-mothers) are being sold mixed or unmixed with natural ghi as natural ghi. Even wholesale convictions under the Punjab Adulteration of Food Act, 1919, could not put a stop to these practices, and the machinery for applying that Act to the whole province has not yet been created, and even if such machinery existed experience in other countries has shown how difficult it is to obtain convictions under such enactments. Moreover the practice is so common and so lucrative that convictions under the Act, which provides punishment by fine only, would not act as a preventive. In these circumstances it appears to the Punjab Government (Ministry of Local Self-Government) that the only effective method of preventing the form of wholesale cheating would be to prohibit the import of such products into, or manufacture within, British India unless

they are coloured in such a way that they could not be mixed with or passed off as natural ghi without immediate detection, and I am to request that the Government of India may be moved very strongly to undertake the necessary legislation as soon as possible. The Punjab Government (Ministry of Local Self-Government) have had this article examined by the Chemical Examiner and a copy of his report is enclosed, and would particularly draw the attention of the Government of India to the mention therein of an experiment on two kittens of the same litter who were fed on Banaspati and natural ghi. Ghi forms the most nourishing portion of the food of the Indian population of this part of India and specially of the food of the poor and the labouring classes and the agitation among the Indian public against the unrestricted import and use of this article is based on perfectly genuine grounds.

I have the hour to be,

Sir,

Your most obedient servant,

F. G. BEAZLEY,

Secretary, Transferred Departments.

No. 2196, dated 27th September 1928.

From Chamber to the Government of Bombay, General Department, Bombay.

In continuation of this Office letter No. 1811, dated 8th August 1928 I am directed to send herewith a copy of the representation* addressed to the Government of India, Department of Commerce, containing the views of my Committee on the subject referred to above.

No. 2187, dated 26th September 1928.

***From Chamber to the Government of India, Departmetn of Commerce, Simla.**

A letter was recently received by my Committee from the Government of Bombay giving cover to copies of correspondence from the Government of India on the subject of colouring of Vegetable Oils before their import to India. My Committee are of opinion that the question has really a much larger aspect than mere colouring of vegetable oils, and so, while they are writing to the Government of Bombay in reply to their letter, they venture to address this letter to you as the Government of India are, they consider, in best position to deal with the question as a whole.

The subject of adulteration of ghee has been occupying public attention at least in this Presidency for a large number of years and my Committee would beg to give a short history for the information of Government. The Ghee Merchants' Association, Bombay, wrote to this Chamber in December 1923 forwarding a copy of their letter to the President of the Bombay Municipal Corporation in which they expressed their views on Bill No. 2 of 1923 to prevent the adulteration of articles of food. Section 4 of the Bill dealt with the prohibition of sale or manufacture of food not of the proper nature, substance and quality, while the Association wanted the Section to be so worded as to prevent any such adulteration as causes it to lose its nature, substance and quality irrespective of the fact whether the ingredient is or is not injurious to health. The Association also wanted the definition of Ghee to be made quite clear. The Bill No 2 above referred to was passed into Law as Act V of 1925 with the same clauses more or less and did not materially change the position as regards the adulteration of Ghee by vegetable products.

Imports of vegetable products, commonly called " Vegetable Ghee", have been increasing during recent years, and my Committee believe that this large increase is due to the fact that the stuff is used as an adulterant of Ghee. My Committee are informed

that in Bombay alone there are more than a dozen places where systematic adulteration is carried on a large scale These vegetable products are now sold at all the principal stations in the mofussil,and there are grave apprehensions that even in mofussil centres, known up to now for the good quality of their Ghee, adulteration has come into vogue. Government cannot be unaware that in this country from times immemorial people have been accustomed to use Oils which is also a vegetable product. All the so-called " Vegetable Ghees " coming from foreign countries are forms of oils with the difference that the product is given, by some scientific invention, the same form and colour as Ghee. My Committee agree with the Government of the Punjab that the importers should be required by Law to give a distinct colouring after import here or before export from foreign countries to all these vegetable products. Ghee itself, it may be pointed out, is coming in three distinct colours in three of the principal Ghee-producing districts. Thus, Ghee from Kathiawar is of greenish colour, that of Saugor is of yellow colour and that from Hathras, Etawa, Nagpur and Belgaum is of whitish colour. If any such restriction, therefore, with regard to colouring is to be effective, a glaring red would, perhaps be required. They leave it, however, to Government to decide what should be the colouring given to " Vegetable products " to distinguish them from Ghee proper and to make it impossible for their being used as adulterants.

In the opinion of my Committee, however, it would not suffice merely to give a distinct colouring to all the vegetable products. They should be given a new and distinctive name under which alone they should be allowed to be sold. Besides these two measures, my Committee would strongly insist on making it penal either to adulterate Ghee or to sell " Vegetable products " as Ghee. The penalty again should consist not merely of a fine but of imprisonment, which alone will prevent the practice of adulteration.

My Committee here have not dealt with the question as to whether such Vegetable products as are imported are detrimental to health or not, as this must be left to be considered by dietetic

experts. In this connection they beg to suggest that Government should appoint a Committee of Experts to enquire whether the imported vegetable products are injurious to health or not and that this Chamber should be represented on the same.

All that they are concerned with is honesty of trade and it is not and cannot be preserved so long as Vegetable products are allowed to be passed off as Ghee and no restrictions are placed in the way of adulteration which is going on on a colossal scale. Consumers must be safeguarded against being supplied with articles bearing counterfeit trade names. My Committee hope that the Government of India under all these circumstances, will be pleased to take up this question and to introduce an All-India measure on lines mentioned herein. They may assure the Government of India that in any such action they may take in this question they will receive a full co-operation from the public.

APPENDIX 79.

DEPARTMENT OF INDIAN TRADE COMMISSIONER IN LONDON.

No. 407, dated 10th February 1928.

From Chamber to the Government of India, Department of Commerce, NEW DELHI.

SUBJECT—Department of Indian Trade Commissioner in London.

The Committee of this Chamber have read with some satisfaction and interest the Press Note issued by the Government of India on the 27th January 1928 regarding the constitution of the Office of the Indian Trade Commissioner in London. They are

glad to note that the "Government of India agreed with the High Commissioner that the time had now arrived when the Indian Trade Commissioner's Office and the staff employed under him should be placed on a permanent basis". The necessity of appointment of Indian Trade Commissioners in foreign countries has been repeatedly urged by the Indian commercial community and the attention of the Government of India has been invited. It is gratifying to find that they have of late recognised its importance. My Committee, however, are disappointed to learn that the Government of India propose to reserve the new post of Deputy Indian Trade Commissioner for an I.C.S., Officer of 8 to 10 years' standing. While appreciating the desire of the Government to appoint an Indian officer to this post, they cannot help bringing to the notice of the Government the fundamental fact that the man to be appointed for the said post must possess intimate knowledge of Indian business methods and trade developments as also the tact and vision for developing and expanding the markets for the Indian manufacturers and goods.

My Committee respectfully submit that it is very difficult, if not almost impossible, to select from the Indian Civil Service a suitable Indian gentleman possessing such qualifications and being thoroughly conversant with the vital needs of the Indian commercial and industrial community. If this important aspect is lost sight of when filling up the proposed new post, my Committee apprehend that the original purpose of developing Indian trade with foreign countries will not be successfully served. I am, therefore, directed by my Committee to request the Government to be so pleased as to lay it down that as far as possible an Indian trained in business and having the qualifications indicated hereinabove should be appointed as a Deputy Indian Trade Commissioner.

No. 1597-C(2), New Delhi, the 14th February 1928.

From the Government of India Department of Commerce, to Chamber.

I am directed to acknowledge the receipt of your letter No. 407, dated the 10th February 1928, on the above subject.

APPENDIX 80.

DEPARTMENT OF INDUSTRIES OF THE GOVERNMENT OF BOMBAY.

No. 687, dated 12th March 1928.

From Chamber to the Government of Bombay, General Department, BOMBAY.

The attention of the Committee of this Chamber has been drawn to an advertisement which appeared recently in the local papers inviting applications for the post of Director of Industries under the Government of Bombay. My Committee are sorry to note that applications are not strictly restricted to Indians but that the post is thrown open to all without any distinction. When a compromise was arrived at in the Bombay Legislative Council in 1924 the then Honourable Member for Education undertook to effecta cut of Rs. 75,000, the intention being that an Indian Director of Industries would be appointed. Later on this Department was in a state of suspended animation for sometime and my Committee protested against the abolition of the Departs ment of Industries, which was contemplated then in spite of the wishes of the Council to the contrary. Later on an Indian Director of Industries was appointed but he had to retire in March or April of last year. My Committee addressed a letter to your Department at the time to the effect that several of the Provinces had got Indians as Directors of Industries and urged that an Indian

should be appointed as permanent Director of Industries under the Government of Bombay in accordance with the understanding arrived by the Hon'ble the Minister in Charge of Education in 1924 with the Bombay Legislative Council.

It may again be pointed out that a majority of the Industries Committee appointed by the Government of Bombay in its Resolution, General Department, No. 4428 of the 3rd August 1926, were of opinion that it should be laid down that the Director of Industries should be an Indian. Looking to these facts, my Committee trust that the Government would be pleased to appoint only an Indian as Director of Industries.

No. 4533/3714-D, Bombay Castle, 22nd March 1928.

From The Government of Bombay, General Department to Chamber.

With reference to your letter No. 687, dated the 12th March 1928, I am directed by the Government of Bombay, (Transferred Departments) to say that they are desirous of appointing an Indian gentleman as Director of Industries if a suitable person should be forthcoming.

No. 902, dated 5th April 1928.

From Chamber to the Government of Bombay, General Department, Bombay.

I am directed to acknowledge the receipt of your letter dated 22nd March 1928, No. 4533/3714-D.

My Committee are gratified to learn that the Government of Bombay are desirous of appointing an Indian as Director of Industries, if a suitable person is forthcoming. My Committee think there should not be any difficulty in getting a suitable Indian and they would like to emphasise once again that none but an Indian hould be at the head of the Departm ent of Industries, and that

it would be very unfortunate if Government were to go contrary to the wishes of the public by appointing a non Indian on the plea that a suitable Indian was not forthcoming.

APPENDIX 81.

EXTENSION OF SECOND APPRAISEMENT SYSTEM BY THE BOMBAY CUSTOMS HOUSE.

R. S. R. No. 4495 of 1928, New Customs House Bombay, 1st August 1928.

From A. M. Green, Esquire, M.A., I.C.S., Collector of Customs, BOMBAY to Chamber.

Second appraisement system—Extension of.

I have the honour to state that as your Committee is possibly aware, this Custom House for some time has been cosidering steps to reduce the delays that are occasionally experienced by the mercantile community in putting through their documents in this office during busy seasons. Nothing can prevent congestion and consequent delay in the Custom House when there is a sudden rush and a large number of cargo vessels enter the port at one time as happened once or twice during the last six months. At the same time I feel that some improvement can be achieved by altering the Custom House procedure in some ways. One such way, which it is hoped will go far in facilitating the work of the public in the Custom House, is the extension, as far as possible, of the "second appraisement" System, or in other words **the acceptance of duty before examination of goods.**

The advantages of the proposed system are :—

(1) Duty is paid in the Custom House immediately after the office Appraiser completes the bill of entry. The importer can then go to the Dock and have the

goods examined and cleared without coming back to the Custom House, unless the Shed Appraiser finds it necessary to make a reference back to the Custom House.

(2) It will no longer be necessary for importers to bring their samples in all cases to the Custom House. The Shed Appraisers will be competent to examine the sample in most cases, and will forward them to the Custom House only when they find it essential to do so.

To explain the contemplated change, I give below a skeleton sketch of the present and proposed procedures for comparisons—

Existing procedure.	Proposed procedure.
Bill of Entry is noted.	Bill of Entry is noted.
Bill of Entry is presented to Appraiser for assessment.	Bill of Entry is presented to Appraiser for assessment.
Appraiser gives an order for examination through Shed Superintendent.	Appraiser completes Bill of Entry and gives an order for examination through Shed Superintendent.
..	Senior Appraiser countersigns Duty is paid.
..	Shed Superintendent forwards packages to Examining Appraiser.
Shed Superintendent forwards packages to Examining Appraiser.	Examining Appraiser examines and reports to Shed Appraiser.
Examining Appraiser examines and reports to the Custom House Appraiser.	Shed Appraiser gives out of charge order.
Office Appraiser completes Bill of Entry.	..
Senior Appraiser countersigns.	..
Duty is paid and Cash Department gives out of charge order.	
Goods are cleared.	Goods are cleared.

I should add that under the new scheme the Examining Appraisers in the Alexandra Dock will be formed into 4 groups, each

under a Shed Appraiser, who will control their activities and be responsible for the smooth working of his section. Similar groups will subsequently be formed, if necessary, in the old docks.

The proposed procedure, however, is not what the Sea Customs Act lays down as the normal procedure for the assessment of goods. To place the new procedure on a proper legal basis, therefore, I am advised that the importer should subscribe a declaration on his bill of entry that he accepts the new procedure for the assessment of his goods. I am accordingly notifying the public and enclose a copy of the notice for the information of your Committee

As will be seen from the Notice, it is for the present intended to exclude from the new procedure goods assessed to specific duties and on tariff valuations, the documents for which are already presented in most cases direct to the Shed staff, and also goods which for want of proper covering documents or any other reason require to be examined prior to the assessment fo duty.

I may mention that the second appraisement system is already in force in this Custom House in the case of known articles of trade not assessed on market or tariff valuations and imported regularly or by importers of repute and covered by proper documents. My present proposals, therefore, in effect merely extends present restricted scope of second appraisement. It is therefore unnecessary to give long notice, and I propose to put into force the new scheme with effect from the 15th of August 1928. I am anxious to have the procedure in full swing before the next cold weather, which I hope will be a busy season both for you and for us, and the earlier I start the procedure the more time I shall have to make suitable modifications, if necessary, in the procedure during the present slack season with the least inconvenience to the public and the Custom House.

I have addressed you at some length so that your Committee should know the details of the proposed change, and I shall greatly appreciate any help that your Committee may be able to give in pointing out defects and suggesting improvements in the scheme.

NOTICE.

It has been the practice in this Custom House to accept duty on imported goods after the completion of examination (if any) and assessment, but it has now been considered desirable in the interests of importers to introduce a new procedure under which, as far as possible, duty will be accepted before the completion of examination and final assessment. To start with, the procedure will not apply to goods assessed at specific rates and on tariff valuations, and will also exclude goods which, for want of covering documents or any other reason, it may be deemed necessary to examine prior to the assessment of duty.

2. It has, however, been pointed out that under the strict letter of the Sea Customs Act, duty should not be accepted until after the examination contemplated by Section 31 for **ad valorem** goods and the assessment of the goods have been completed. This difficulty can be met if there is an agreement between importers and the Customs Authorities to the effect that the acceptance of a deposit of duty calculated on the importer's valuation is not to be deemed to be final until assessnent is completed. It has therefore been decided that on and from the 15th of August 1928, the new procedure will be adopted in the case of Bills of Entry in which the importers make the following declaration :—

" It is hereby declared that the acceptance of a deposit of duty calculated on the declared value and description of the goods specified in the Bill of Entry before examination and assesment shall not be deemed to imply acceptance by Government of such declared value and description or to affect the rights of Government under Sections 31 and 32 of the Sea Customs Act until the Appraising Department shall have finally accepted each declared value and descriptions ".

3. This declaration should be on the original Bill of Entry and may be printed on the face of the Bill of Entry avove the importers' signature to the general contents of the documents.

or may be written or stamped upon the reverse in which case it will have to be accompanied by another signature.

New Custom House, Sd. A. M. GREEN,
Bombay, 1st August 1928. Collector of Customs.

——: 0 :——

No. 2040, dated 11th September 1928.

From Chamber to the Collector of Customs Bombay.

With reference to your letter R.S.R. N. 4495, dated 1st August, 1928, regarding above, I am directed by my Committee to inform you that they approve of the extension of the Second appraisement system.

APPENDIX 82.

PUBLICATION OF COTTON STATISTICS IN THE INDIAN TRADE JOURNAL.

Cir. No. 1548, Bombay dated the 6th December 1928.

From the Indian Central Cotton Committee to Chamber.

SUBJECT.—Cotton Statistics.

The number of bales of cotton pressed in factories in British India and in those Indian States which furnish returns is published weekly in the Indian Trade Journal. In order to bring them to a figure which will allow of comparison with the Government forecasts—the forecasted figures are in bales of 400 lbs. net—the Provinces agreed to report weekly to the Director General of Commercial Intelligence and Statistics, Calcutta, the approximate average weight of the bales pressed during the week. The number of running bales converted into the statistical bale of 400 lbs. is now published monthly in the Indian Trade Journal.

The Director General of Commercial Intelligence & Statistics wishes to know if these monthly statements are of use to the trade and whether their publication should be continued.

I have the honour to solicit the views of your Chamber on this point and I should be glad to get an early reply.

No. 2852, dated 12th December 1928.

From Chamber to the Indian Central Cotton Committee, Bombay.

With reference to your letter No. 1548, dated 6th December 1928, I am directed by my Committee to inform you that the information contained in the Indian Trade Journal regarding Cotton Statistics is useful and should, therefore, be continued.

APPENDIX 83.

GRIEVANCES OF THE ALEMBIC CHEMICAL WORKS COMPANY OF BARODA RE: GOVERNMENT COMPETITION WITH THEIR RECTIFIED SPIRIT INDUSTRY AND SOME DIFFICULTIES EXPERIENCED FROM THE EXCISE DEPARTMENT.

No. 1725, dated 31st July 1928.

From Chamber to the Government Of Bombay, Revenue Department, Bombay.

SUBJECT.—Protection to the indigenous Spirit Industry.

The attention of the Committee of this Chamber has recently been drawn by Messrs. Alembic Chemical Works Co., Ltd., one

of their members, to the fact that the Government of Bombay have of late begun to enter into competition with them by offering the rectified spirit manufactured at their Nasik Distillery, for sale on the market. It is the contention of the said Company that this practice of Government adversely affects their manufactures. My Committee are of opinion that Government should not enter into competition with private enterprise, and on more than one occasion this wholesome principle has been impressed by them on Government.

The Alembic Chemical Co., Ltd., represent that Government may use rectified spirit for the manufacture of country liquor and foreign liquors, but they should not sell it in the market as a commercial article. My Committee think that this is a reasonable request and Government should accede to it and not hurt the local spirit Industry by entering into competition with it. The second point of contention of the said Company is that the license fees they have to pay to Government at present bear heavily on their industry. My Committee hope that Government will be pleased to so revise the scale of license fees that the same may not prove detrimental to the Industry.

It is hoped that Government will be pleased to consider these grievances of the Industry favourably and accord it the necessary relief at an early date.

No. 10075-C./24, Poona, 29th August 1928.

From the Government of Bombay, Revenue Department, to Chamber.

I am directed by the Government of Bombay (Transferred Departments) to reply to your letter No. 1725, dated 31st July 1928 in which you make the following requests :—

(i) that as requested by the Alembic Chemical Works Company, Limited, Government should not sell rectified spirit in the market as a commercial article ;

(ii) that Government should not injure the local spirit industry by entering into competition with it ; and

(ii) that the license fees which the Alembic Chemical Works Company is required to pay to Government bear heavily on the rectified spirit industry and the scale of fees should therefore be revised.

2. As regards the first and second requests I am to state that the manufacture of rectified spirit has been taken up as a subsidiary business in order to keep the Nasik Distillery plant fully occupied. This spirit is being utilized for issue to Government Departments requiring it and for sale to chemists and druggists and perfumery manufacturers who of their own free choice apply for it. Issues are made at a rate which precludes unfair competition with private enterprizes.

3. As regards the third request I am to state that the Alembic Chemical Works Company holds the following licenses:—

1. Trade and Import

2. Rectified Spirit.

Under the former it is authorised to sell every kind of foreign liquor . The fee for this class of license has been reduced from Rs. 1,000 to Rs. 600 in the scheme recently sanctioned and Government see no reason for making any further reduction. The fee for the rectified spirit license is Rs. 100 and under this, sales are made to the public from whom the fee is recouped. Considering the business done, the incidence of this fee is not heavy and Government after very careful consideration see no reason to reduce it. As Government do not sell to the public, the question of competition with private enterprize does not arise so far as this license is concerned.

N. 2028, dated 10th September 1928.

From Chamber to the Government of Bombay

Revenue Department, Bombay.

I am directed by my Committee to bring to your notice the case of one of their members, the Alembic Chemical Works Co. Ltd. It was represented to my Committee that one of the products they manufacture at their works, viz., Absolute Alchol, was being treated upto January 1925 as a medicinal preparation enjoying concession of duty free supply to hospitals and dispensaries in British districts as well as Indian States. The Commissioner of Excise, Bombay, issued a notification No. 64-16/24 dated 6th January 1925 under which (vide Rule 10 A) it was allowed to be supplied duty free to charitable hospitals and dispensaries in British districts only and prevent duty free supply to the hospitals and dispensaries in the Indian States. However, Government, by their Resolution No. 5275-24, dated 19th January 1926, allowed the supply of absolute alcohol duty free to State hospitals and charitable dispensaries in the Western India States Agency only. But the Commissioner later on in his order No. 64-5-25, dated 17th June 1925 deleted altogether absolute alcohol from the list of spirituous medicinal preparations with the result that absolute alchol could no longe r have the concession rate of duty at Rs. 5 per gallon.

Thus the concession which this product was getting upto January 1925 was taken away with the result that the manufacturers of absolute alcohol were put to disadvantages. The Commissioner went still further and prohibited the duty free supply of alcohol to the hospitals and dispensaries. These various orders of the Commissioner of Excise, Bombay, resulted in the manufacturers not getting any order from any hospital or dispensary outside the Bombay Presidency, neither fom those in the Indian States, as these institutions could get absolute alcohol required for their respective use duty free from Government Medical Stores which enjoyed concession from other Provincial Governments

and from the Indian States. The Government of Bengal has permitted the issue, duty free, not only of absolute alcohol, but even rectified spirit and other spirituous medicinal preparations to all hospitals and dispensaries both in British district and Indian States. My Committee, under these circumstances, fail to understand why this important product which is required for the purpose of hospitals and dispensaries should be deleted from the list of spiritous medicinal preparations and subjected to the hardship of paying the full duty and why it should not have the concession of being supplied duty free to hospitals and dispensaries in India as well as in Indian States. In fact, Government, prior to their notification in January 1925, actually treated this as a medicinal preparation and even went further in allowing its duty free supply to the hospitals and dispensaries not only in British India but in the Indian States also.

My Committee, therefore, beg to submit that Government should consider the hardship to which the manufacturers are placed by the recent notifications of Government and should treat Absolute Alcohol as a spirituous medicinal preparation entitled to enjoy the concession rate of duty of Rs. 5 per gallon, and that its supply should be made duty free in respect of hospitals and dispensaries in British India, as well as in the Indian States. In submitting these proposals to Government my Committee are not asking for any new concessions beyond what had once been already granted to this product prior to 1925.

Another point which was pressed on the attention of my Committee by the Alembic Chemical Works Co., Ltd, was the question of the drawback system as applied to spirituous medicinal preparations. They were informed that Government have given to the Company a reply to the effect that they had at present under preparation a set of rules providing for the export in bond of Indian-made foreign liquor (including spirituous medicinal preparations) from the Bombay Presidency to other parts of British India, including Indian States. They, however, desire to point out that the Bengal Government have already passed a set of

rules with regard to the duty-free supply of tinctures etc. to hospitals, dispensaries, etc., a relevant portion of which is reproduced below for ready reference :—

> "If the manufacturer has been authorised by Excise Commissioner to supply Tinctures, etc., duty-free (1) to public or private hospitals, dispensaries and other medicinal institutions under Government supervision or (2) to private institutions not under Government supervision but the management of which in the opinion of the Surgeon General with the Government of Bengal is satisfactory, such preparations may be issued under a pass without payment of duty upto the quantity specified in orders signed or countersigned by a Presidency or Civil Surgeon in the case of hospitals etc., referred to in (1) above, or the principal qualified medical officer in charge of such institutions in the case of hospitals etc., referred to in (2) above."

The effect of these rules by the Bengal Government has been that the manufacturers from the Bengal Presidency have taken advantage of this facility and would in time practically capture the market, leaving the manufacturers from this Presidency at a great disadvantage. The Committee, therefore, urge on the Government of Bombay to adopt such rules so that the manufacturers from this Presidency may not be put to any handicap and may not find themselves out of market.

No. 1793, dated 7th August, 1928.

From Chamber to the Commissioner of Excise. Delhi Province, Delhi.

The attention of my Committee has been recently drawn by Messrs. Alembic Chemical Works Co., Ltd., one of their members, to the fact that they are not allowed to sell their Absolute Alcohol Rectified Spirit and Indian-made Foreign Liquor in your Province.

They will be much obliged if you will be good enough to let them know the reasons why Messrs. Alembic Chemical Co., Ld., are prohibited from selling the said articles in your province.

An early reply will be much appreciated.

APPENDIX 84.

PAYMENT OF HUNDIS ON SUNDAYS AND PUBLIC HOLIDAYS.

No. 281/28, Karachi, 3rd April 1928.

From Karachi Indian Merchants' Association to Chamber.

A proposal has been made to this Association to stop payment of hundies among members on Sundays and other holidays.

Before deciding on the question the Managing Committee of this Association wish to know the system prevailing in this connection among members of your Chamber and the views of your Chamber on the above proposal. I therefore request you to let me have the views of your Chamber on the matter and the system prevailing among members as early as possible.

Thanking you in anticipation.

No. 1000, dated 21st April. 1928.

From Chamber to the Secretary, Karachi Indian Merchants' Association.

With reference to your letter No. 281/28, dated 3rd April 1928, I am direcred to inform you that my Committee are of opinion that the payments of hundis should not be made on Sundays and Bank holidays.

With regard to your query in connection with the system prevailing in this regard in this City, I have to inform you that the Shroffs observe Snndays and some certified holidays of the Bombay Shroff Association and do not make payments on these days. The Marwaris observe very few holidays and make payments even on Sundays. The commercial houses and firms observe Sundays and all Bank holidays.

APPENDIX 85.

CHAMBER'S REPRESENTATIVE ON THE INDIAN CENTRAL COTTON COMMITTEE.

No. 3037 of 1928, dated Bombay, the 21st January 1928.

From the Secretary, Indian Central Cotton Committee to Chamber

SUBJECT.—Nomination of representative to the Indian Central Cotton Committee.

With reference to your letter No. T331, dated the 14th of March 1925, I am directed to say that under Rule 3 of the Indian Cotton Cess Rules, your representative on the Indian Central Cotton Committee, Sir Purshotamdas Thakurdas, completes his term of office on March 31st, 1928.

Under Rule 4 of the Indian Cotton Cess Rules I am to request the Indian Merchants' Chamber to nominate a representative to hold office from April 1st, 1928. This appointment is to be made under Section 4(iv) of the Indian Cotton Cess Act; retiring members are eligible for re-appointment. On receipt of your reply the Government of India will be asked to gazette the appointment of the member nominated by the Chamber in the usual manner.

Extract from Rules under Section 15 of the Indian Cotton Cess Act.

3. The term of office of every member of the Committee,

other than the Agricultural Adviser to the Government of India, and the Director General of Commercial Intelligence, shall be three years from the 1st of April of the year in which he is appointed.

Term of Officer.

Provided that—

(a) of the thirty-five members first nominated under clauses (ii), (iv), (v), (vi), (vii), (viii), (ix) and (x) of section 4 of the Act, twelve members, to be selected by lot, shall vacate office on the expiration of one year from the date of the constitution of the Committee, and of the remainder of the said thirty-five members, twelve members, so selected, shall vacate office on the expiration of two years from the said date;

(b) a member who is nominated or appointed to fill a vacancy other than a vacancy occuring under clause (a) shall hold office for so long as the person whose place he fills would have been entitled to hold office if the vacancy had not occurred.

(c) the term of office of a person appointed by notification under clause (xi) of Section 4 of the Act shall be three years or such lesser period as may be specified in the notification.

4. Every vacancy shall be filled by nomination or appointment under section 4 of the Act. All nominations under section 4 of the Act shall be made within 30 days from the date on which such nominations are called for by the Secretary of the Committee.

Nomination.

N. 283, dated 1st February 1928.

From Chamber to the Secretary, Indian Central Cotton Committee.

With reference to your letter No. 3037, dated the 21st January 1928, I am directed to inform you that my Committee have re-nominated Sir Purshotamdas Thakurdas, Kt., C.I.E., M.B.E., M.L.A., to represent this Chamber on the Indian Central Cotton Committee to hold office from 1st April 1928.

APPENDIX 86.

NOMINATION OF AN INDIAN MUSLIM GENTLEMAN ON THE PROPOSED COMMITTEE RE: PROVINCIAL TECHNOLOGICAL INSTITUTE AT CAWNPORE.

No. I.C.-37/155, Bombay, 24th January, 1928.

From G. A. Thomas, Esquire, C.I.E., I.C.S., Collector of Bombay, Department of Industries to Chamber.

I beg to inform you that the United Provinces Government intend to appoint a committee to examine the system of instruction at the Provincial Technological Institute at Cawnpore and to suggest the lines on which it should be developed. They are anxious to secure as one of the members a Muslim Indian gentleman, conversant with industrial and commercial matters, who would be competent to examine the problems which would come before the committee. The committee will meet at Cawnpore and the travelling expenses of the gentleman that may be appointed on the committee will be defrayed by the United Provinces Government. A copy of the probable terms of reference is enclosed herewith.

I beg to enquire whether your Chamber can suggest a suitable Indian Muslim gentleman with the above qualifications and willing to serve on the committee.

I am desired by the Government of Bombay to consult you in the matter.

An early reply is requested.

Probable terms of reference.

(1) To examine the present system of research and instruction at the Technological Institute and to suggest modifications with a view to increasing its usefulness.

(2) In particular, should the research section be maintained or not and whether teaching should be continued, and if so, of what kind exactly ?

(3) The number, pay and duties of the various members of the staff.

(4) Syllabus and curricula.

(5) Are the present departments adequate or should there be further extensions, if so, what extensions ?

(6) What special certificates of proficiency, if any, should be awarded and on what basis ?

(7) To what extent should private consulting practice by the staff be allowed ?

No. 290, dated 1st February 1928.

From Chamber to the Collector of Bombay, Department of Indutries, Bombay.

With reference to your letter No. I.C. 37/155, dated the 14th January 1928, Ia m directed to inform you that my Committee have nominated Mr. Fazal Ibrahim Rahimtulla, M.L.A., with regard to the Committee re: Provincial Technological Institute at Cawnpore as desired. His Delhi address is: "27, Western Hostel, Raisina, NEW DELHI—. "

APPENDIX 87.

REPORT OF THE INDIAN CINEMATOGRAPH COMMITTEE.

N. 2756, dated 5/6th December, 1928.

From Chamber to the Government of India, Home Department, New Delhi.

My Committee have carefully considered recommendations of the Cinema Committee and have come to the following conclusions, which they beg to submit hereby to the Government of India.

My Committee cannot approve of the suggestion that there should be a Central Studio, a Central Bureau, etc., as they are of opinion that no interference is required with regard to this Industry at present. They are also not in favour of the scheme regarding help in the form of loans, and think that the Industry should take care of itself. The Cinema Committee has not recommended any increase in the import duty. My Committee however, are of opinion that the present duty of 15 per cent should be raised to 30 per cent, and it should be considered as a protective duty. My Committee are glad to note that the Cinema Committee has not expressed approval of any scheme of Impeial Preference, as my Committee have time after time shown that such a preference will not be in the interests of this country under the present political and economic conditions. While my Committee are not in favour of any special measures of interference, they feel that if there is going to be any added expenditure on behalf of the Cinema Industry, such an increase will have to be met by an increase in the import duty as suggested above. The 5 per cen cess on imported films recommended by the Cinema Committee will not be necessary if the import duty is raised to 30 per cent.

My Committee are not in favour of a Central Advisory Committee, but approve of the suggestion of a Central Board of Cen.

sors with their Headquarters in Bombay and branches at Calcutta. The Headquarters should be in Bombay as this City is the principal importing centre, as also a centre for film manufacturing companies My Committee hope that they will be represented on the Central Board of Censors. The Cinema Committee has suggested that the Secretary to the Central Board of Censors, who would be its Executive Officer, should, preferably, be an Indian. My Committee recommend this that Officer should always be essentially an Indian. They reiterate the views expressed by them regarding the quota system while replying to question No. 45 of the questionnaire of the Indian Cinematograph Committee.

My Committee approve of the suggestion of the Cinema Committee that the loan of military equipment and use of Public buildings should be given to the Industry.

In conclusion they request the Government of India to be pleased to take immediate steps to put the recommendations of the Cinema Committee, as modified above, into practice.

No. D.-3984, New Delhi, the 11th December 1928.

From Government of India, Home Department (Political) to Chamber.

I am directed to acknowledge receipt of your letter No. 2756, dated the 5th December 1928, conveying the views of your Chamber on the recommendations of the Indian Cinematograph Committee.

APPENDIX 88.

INDIAN ROADS DEVELOPMENT COMMITTEE.

IMMEDIATE.

Letter No. 1036-W., Bombay Castle, 7th December 1927.

From the Government of Bombay, Public Works Department to Chamber.

SUBJECT.—Road Development in India.

I am directed by the Government of Bombay (Transferred Departments) to state that the Government of India have appointed a Roads Development Committee consisting of members of the two Chambers of the Indian Legislature, the terms of reference being as follows :—

1. To examine the desirability of developing the road system of India and, in particular, the means by which such development could most suitably be financed and

2. To consider, with due regard to the distribution of centra and provincial functions, whether it is desirable that steps should be taken of the co-ordination of road development and research in road construction, by the formation of a Central Boad Board or otherwise.

The Committee met in New Delhi on 6th November, 1927 and proposes after consulting Local Governments, to take evidence in **New Delhi after 7th January 1928.**

2. I am to forward, herewith, for your information a copy of the questionnaire issued by the Committee to all Local Govern-

ments. The Committee feels that it might be of assistance to Local Governments if an opportunity were afforded to discuss the questions of Road Development and the questionnaire with the representatives of the Committee. A Sub-Committee consisting of the marginally noted members* has therefore been appointed by the Committee to visit the provincial capitals. It will arrive in Bombay on the 18th instant and will stay here till the 23rd instant.

*1. The Honourable Sir Arthur Froom, Kt.
2. The Honourable Mr. Mahmood Suhrawardy.
3. Kumar Ganganand Sinha, M.L.A.
H. F. Knight, Esquire, I.C.S., (Secretary).
H. G. Mitchell, Esquire, (Technical Adviser).

3. The Sub-Committee proposes to discuss questions of road development, taxation for road purposes, etc., with such official representatives and such non-official persons and bodies as this Government may think fit. The Sub-Committee will not examine witnesses. If you happen to be in Bombay at the time and wish to meet the Sub-Committee, the latter would be glad if you could make it convenient to do so, in which case I would request that you will kindly communicate a date which will suit you between the 19th and 23rd December 1927. Your reply may kindly be sent by letter or telegram so as to reach the Secretariat by the 10th instant at the latest, in order that Government may be able to arrange a programme and communicate it to the Sub-Committee and the parties concerned.

4. The Sub-Committee will meet in the office of the Secretary to Government Public Works Department, Public Works Secretariat, Churchgate Street, and on hearing from you I shall let you know provisionally a time at which the Committee would meet you. If you kindly let me know what your address and Telephone number will be arrangements will be made to inform you of any alteration in the time should such be necessary.

P. S.—If you are unable personally to meet the Sub-Committee and wish to depute a representative I am to request that you will kindly let me know who your representative will be.

No. G-3012, dated 9th December 1927.

From Chamber to the Government of Bombay, Public Works Department, Bombay.

I am directed to acknowledge receipt of your letter of the 7th December 1927, No. 1036-W.

The President and Secretary of this Chamber are leaving Bombay on the 17th instant and so it will not be possible for the President to see the Road Development Sub-Committee. My Committee have not considered the questionnaire of the Road-Development Committee. The President would have been nevertheless glad to meet the Sub-Committee if he had been in Bombay at the time. If an interview can be arranged on 17th instant he will be glad to do so.

QUESTIONNAIRE ISSUED BY THE ROADS DEVELOPMENT COMMITTEE TO LOCAL GOVERNMENTS.

A.—Road Development.

Note.—(a) Roads are assumed to be divided into classes on administrative, and into types on technical grounds, for example—

Class . .	Provincial Arterial District Board etc., etc.	Type . .	Surface Unsurfaced etc., etc.

(b) This questionnaire refers to extra municipal roads only.

(c) Village roads, if not in the charge of district boards, should be excluded.

(d) Maps should be to the scale 1/m or 16 miles..1″

1. Please illustrate by map and describe the road system of your province by stating :—

(i) the mileage of roads of different classes* and types ;*

(ii) the provincial bridges existing ;

(iii) the principal places where bridges are required;

(iv) the authority responsible for each class of road;

(v) the existing arrangements for financing the construction and maintenance of each class;

(vi) the total mileage by types and total expenditure on construction and maintenance on all roads and from various sources in the years 1913-14 and 1923-24 to 1925 26 inclusive;

(vii) on the form attached (Appendix I) the details of the expenditure during 1926-27.

2. Please state in terms of miles per,

(a) hundred square miles of area,

(b) 100,000 of total population, and

(c) 100,000 of rural population,

the present total mileage of roads in your Province.

(i) Surfaced.

(ii) Unsurfaced.

3. Please state, on the average of the figures for the years 1924-25, 1925-26, and 1926-27:

(a) the following ratios expressed as percentages—

(i) $\frac{\text{total expenditure on roads from Provincial revenue.}}{\text{local Provincial revenue.}}$

(ii) $\frac{\text{total expenditure on roads from local funds.}}{\text{total local funds revenue.}}$†

(b) the incidence per head of

(i) total population
(ii) rural population } of all road expenditure from provincial revenues, and

(iii) rural population, of all road expenditure from local funds.

4. What road traffic statistics are maintained in your province? Have you any suggestion to make for their extension or improvement?

5. In what way and to what extent is the road system of your province co-ordinated

(a) within the province and

(b) with the systems of adjacent provinces and States.

6. What are the defects in the existing road system, with special reference to the needs of motor transport; and to what extent will these be remedied by accepted programmes of re-classification and development.

7. Please state your views as to—

(a) the nature and rate of development desirale to keep pace with the growing needs of motor transport;

(b) the manner in which such development should be financed: and in particular,

(c) whether the construction of bridges and roads should be provided for by means of loans, and if so, within what limits.

8. How will the development you contemplate affect railways; and what steps can be taken to secure that roads and railways are co ordinated in the common interests of transport. How will contemplated road development affect railways: what machinery exists for the co-ordination of road and railway development and what further method would you propose for the purpose?

9. (a) To what extent do you make use of the facilities afforded by the Government Test House, Alipur, for the testing of road material; and are there any directions in which you would wish to see these facilities extended?

(b) To what extent has experiment with and research into

(i) the methods and materials of road construction and improvement, and

(ii) the effect of different classes of traffic upon roads, and similar questions, been carried out in your Province; and how are the results utilised ?

(c) Are you satisfied with the existing arrangements for the exchange between provinces of the results of experiments and research ?

(d) In the event of any assignment being made from central revenues for road purposes, do you consider that provision should be made therefrom for supplementing, subsidising, or co-ordinating and distributing the results of experiment and research ?

B.—MOTOR TRANSPORT AND MOTOR TAXATION.

1. To what extent has motor transport increased in your Province in the years 1913-14 and from 1923-24 to 1926-27 ?

Please state the number of motor vehicles registered in each of these years, distinguishing—

(a) Private cars,

(b) Motor buses (stating the principal bus services, both urban and rural),

(c) Taxis,

(d) Commercial goods vehicles,

(e) Motor Cycles.

2. What are the prospects of further development ?

3. What special taxation, provincial and local, is imposed on motor transport in your Province, and how is it assessed.

4. To what extent is such taxation now allocated to expenditure on roads ?

5. To what extent do you consider it to be proper that taxation on motor transport, namely,

(a) central,

(b) provincial, and

(c) local,

shou ld he allocated to expenditure on roads ?

6. What do you consider to be the most suitable forms of taxation (including customs and excise duties, vehicle taxes, tolls, license, fees, etc.), for thi purpose, under each of the following heads, bamely,

(a) central,

(b) provincial, and

(c) local?

7. What are your views on the proposal of the Bombay Government (vide Appendix II) that an additional duty should be imposed on petrol and the proceeds distributed to the provinces in proportion to their consumption, as shown in the books of the Oil Companies ?

8. What is the most apprepriate method of assessing motor vehicles for the purpose of (a) import duty and (b) registration and other fees ; whether **ad valorem** or according to horse-power weight, wheel-track, number of wheels, seating capacity, etc., or by a combination of any of these ?

9. If it posfible or desirable to limit the maximum taxation for this purpose that may be imposed by each authority ?

10. To what extent is it possible or desirable to arrange for reciprocal exemptions of provincial and local taxation on motor vehicles so that each taxed in only one place ?

How far would this involve changes in the rules in force in your Province relating to registration fees and similar matters ?

11. Do you think that revenue from taxation on motor transport should be credited to a separate fund for expenditure

on roads, or is it enough if a separate account is maintained by each authority ?

If revenue from central taxation is allocated to expenditure on roads, which is a provincial transferred subject, in what way should the Devolution Rules be amended so as to make this permissible ? See item No. 6 (b) of Part II—Provincial subjects—of schedule I of Devolution Rules :—

"6. Public Works, other than those falling under entry 14 of this Part and included under the following heads :—

* * * * * * *

"(b) Roads, bridges, ferries, tunnels, ropewas, causeyways and other means of communication, subject to the provisions of rule 12-A of these Rules and of any orders made thereunder".

13. (a) On what objects might revenue from central taxation properly be spent ? Should it be allocated for specific objects, such as the construction of specific roads or bridges, or should it be distributed in the form of block grants to provincial Governments ?

(b) In what way should revenue from central taxation be allocated to different areas or province ?

E.g., Should the proceeds of a tax on petrol be allocated according to the consumption in each Province ? Or should the allocation be in proportion to provincial expenditure on roads ?

14. Should the principle of taxation for the purpose of road development be extended to vehicular traffic other than motor transport ?

15. Is there any Road Cess in your Province ? If so, by whom is it paid and on what class of roads is it expended?

C.—Road Boards.

1. Is there now a Road Board in your Province ? If so, when was it formed ?

What are its constitution, present membership and functions ?

Of what value has it been in the development of the road system of your Province ?

2. Do you consider that a Central Road Board should be formed, having regard to—

(a) the proposal that revenue from central taxation should be allocated to road development ;

(b) the need for co-ordinating provincial programmes of road development ;

(c) the need for co ordinating the development of roads and railways ;

(d) the need for co-ordinating technical experience and information, and research in road construction ?

3. If you consider that a Central Road Board is desirable, what sould be its constitution and functions ?

4. Alternatively or in addition, by what other means could the necessary co-ordination best be obtained ?

D.—GENERAL.

Are there any other points covered by the terms of reference* on which you wish to state your views.

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*The terms of reference to the Committee are:—

(1) To examine the desirability of developing the road system of India and, in particular, the means by which such development could most suitably be financed; and

(2) To consider, with due regard to the distribution of central and provincial functions, whether it is desirable that steps should be taken for the co-ordination of road development and research in road construction, by the formation of a Central Road Board or otherwise.

Notes explaining the form *giving figures for road mileage and expenditure, 1926-27.

1. In cloumns 5 to 12 the expenditure on maintenance should be entered above, and on construction below the line.

2. The figures of maintenance will include all expenditure on roads, bridges, etc., classed as " repairs " and the figures of construction, all expenditure classed as "orginal works " respectively. It is recognised that it is not possible to relate figures of expenditure on construction to any mileage actually completed during the year, and this is not asked for, the figures of mileage should be as at the end of the year.

3. Under the gures of expenditure in columns 11 and 12 should be noted in brackets, the average cost

. If it is not practicable to state an average for the whole Province, a separate note should be attached stating the limits within which thesefi gures normally vary under different conditions.

4. Where expenditure has been incurred against capital or loan accounts, the fact and the figures should be given in a separate note.

5. If the figures for 1927-28 are likely to differ substantially from those of 1926-27 an additional form should be filled in for 1927-28 with the latest estimated figures.

* Not printed.

APPENDIX II.

Letter from the Secretary to the Government of Bombay, Finance Department, No. 4740-A., dated the 16th May 1927, to the Secretary to the Government of India Department of Commerce.

I am directed to address you on the subject of the taxation of motors with a view to the formation of a road fund to be devoted to the improvement of communications in this Presidency. As

the Government of India are aware, the Government of Bombay have had this questoin under consideration for some time. The condition of the Provincial finance has not enabled Government to keep pace with the growth of motor traffic, and the state of many of the main communications of the Province is now such that the question will not brook further delay. Motor omnibus service are rapidly developing in all parts of the Presidency and are being largely used by the poorer classes of the public as a means of linking up outlying areas with the trunk roads and railways. There now exists an organized demand from the motoring public that Government shall tackle the problem forthwith, and the time is ripe for an immediate decision.

2. The fact has been recognized by the Finance Member in his budget speech when he definitely encouraged Provincial Governments to seize the opportunity of the reduction of the import duty on motor cars and acessories to impose Provincial Taxation for the improvement and development of road communication. The Bombay Government have given much thought to the method of taxation, and have discussed the matter at length with the representatives of various interests. They have arrived at the conclusion that if it can be achieved, a tax on petrol will undoubtedly be the simplest and best method. The pros and cons of a petrol tax have been debated at such length in England, and set forth in such detail in the report of the Department Committee appointed by the Ministry of Transport that it is not proposed to discuss the question in this letter. The Government of Bombay is satisfied that on the whole funds can be raised by this method more cheaply, more equitably, and with less disturbance of the equanimity of the tax payer, than by any other available method.

3. It is however a method which from the nature of things cannot be imposed by a single Province, for no machinery exists for the prevention of smuggling, and it would be extremely undesirable to attempt to provide it. The duty must therefore either be imposed simultaneously in all Provinces by the Provincial Governments, or be collected by Central agency and distributed to the Provinces in proportion to the provincial consump-

tion. Since Indian States must also be involved, it would appear convenient that the latter alternative should be adopted, and that the duty should be collected simultaneously throughout India under the authority of a single act or order.

It is understood that the Oil Companies are anxious to co-operate, and are willing to act as agents in the collection of the duty. That is to say, they would raise the price of petrol by the agreed amount, and hand over the proceeds for distribution in the proportion of territorial consumption. Detailed figures of consumption are readily available and the Government of Bombay anticipated that no difficulty would be met with in effecting the proportionate allotment of the revenue. It is suggested that the Indian States should share proportionally in the revenue either on condition that the proceeds be earmarked for road communications or without conditions.

4. The Government of Bombay desire to represent that the present moment is very favourable to the introduction of the proposed duty, when the price of petrol has recently been reduced by 3 as. 6 p. It is estimated that a duty of 4 annas per gallon will bring in to this Presidency a revenue of approximately 19 lakhs. This probably more than covers the benefit to the motorists of this Province of the reduction in the customs duties: but the local Government do not wish to emphasize unduly this aspect of the case. They are assured that the motoring public will very readily agree to pay a tax in the form of an enhanced price of petrol without careful consideration of benefits received from the reduction of customs duties. Indeed the reduction in the duty on tyres has not reached the consumer at all but has been entirely absorbed by the dealers: and to this extent the intentions of the Government of India to benefit the provinces have been frustrated. This is a matter in which it is hoped that the motoring Association may be able to bring pressure to bear on the dealers.

5. The formation of a separate Road Fund being alien to our financial system it is the intention of the Government of Bombay to give an undetaking to the Legislative Council that an amount

equivalent to the proceeds of the tax shall be spent on road communications in addition to the average amount already being spent. If the proposal meets with the approval of the Government of India the question of raising a loan, on the service of which the revenue from the duty could be employed, will be considered as soon as the Road Board have decided on a programme, which they will shortly be in a position to do.

6. This is a brief sketch of the proposal which the Government of Bombay put forward with the earnest hope that the Government of India will give it their very early consideration. They are aware that the proposal amounts in fact to the imposition of a customs or excise duty to be used for the benefit of the Provinces and that it is probably without precedent. But they trust that this will not deter the Government of India from considering on its merits a proposal of such vital interest to the great and growing community of motorists. If the Government of India and the other Provinces of India will view with favour the principle of the proposal, it can readily be developed in detail in discussion with the oil companies, and the other interests concerned, who inform us that they are anxious that the scheme should come into operation in the current year.

No. 213, dated 25th January 1928.

From Chamber to the Secretary, Roads Committee, Delhi.

I am directed to send in reply to your letter of the 7th December 1927, No. 1036-W., the views of my Committee with regard to the subject-matter of the questionnaire of the Roads Committee.

The general arrangement of existing roads so far as motor traction goes may be deemed satisfactory. Even though the existing system may not be ideal, yet it is generally suitable for a co-ordination of the roads in the Province and with roads in adjacent provinces and States. It is true that there is still no trunk road connecting Bombay with Gujerat, which necessitates motorists wishing to go to Gujerat or coming from there, making a long

detour to get to their destination. The first step towards providing such a communication is now taken by the Governments taking over the old Bassein Bridge for cart traffic from the B. B. & C. I. Railway. There are roads in the Presidency connected with one another providing for communication between different places. There are also connecting links with roads in adjacent provinces and States as is seen in the case of Bombay-Delhi; Bombay-Calcutta and Bombay-Bangalore routes.

My Committee however feel that the situation is extremely bad with regard to connecting routes between villages in the interior. It is a normal state of things that the villages become muggy and impassable in the monsoon and even in ordinary times the condition of the roads is extremely bad. It may not be inapt to quote the opinion of Dewan Bahadur K. R. Godbole in his speech in the Bombay Council on 7th July 1919 :—

> "The state of the Local Board roads in the Presidency is extremely unsatisfactory and the minor roads, in particular, are in frighful condition. I would ask the Honourable members of this Council to go with me on one of these minor Local Board roads in a country cart, I am sure they will not relish the experiment. It will improve their health perhaps, by enlivening the liver, but they will have to get down so often on the road and will get so many jerks and bumps that they will never repeat the experiment".

Such a state of things is partly responsible for the backward state of villages, socially, educationally and commercially. The social and educational backwardness of villages reacts upon their commercial life also. On account of the bad condition of roads carts cannot carry their full load which means reduction of the transport capacity by about almost 50%. This means an economic burden of no small magnitude on the poor agriculturists who can ill afford to bear it. My Committee therefore press for an improvement in the condition of village roads. As stated above there appears to be satisfactory co-ordination between

roads in the Province and adjacent Provinces and so far as my Committee are aware there is no difficulty experienced with regard to motor transport. The Roads Committee will be interested to know that the interior districts of both the Gujerat and Deccan have been opened out largely by motor cars specially for passenger purposes and they find the roads workable and satisfactory. There is still not much goods traffic in these parts, and it is doubtful if motor transport for goods purposes will be a paying proposition in the near future. My Committee do not think it is necessary to lay down any special scheme of development with regard to motor traffic. As stated above motor traffic has increased in rural districts during the years that have followed the close of the War and the existing roads, provided they are properly looked after will be able to bear this traffic. What is needed most at present is proper attention directed to roads connecting different small villages which otherwise are cut off during the monsoon.

No special taxation is imposed on motor transport in the Bombay Presidency excepting levy of tolls at a few places. Such a levy is assigned to local bodies which utilise it for road repair purposes. It is advisable that there should be only one form of taxation for motor transport and that Provincial instead of different forms of taxation. Allotments should be made from this to different roads whether, central, Provincial or local.

My Committee are extremely sorry to note the suggestion of the Bombay Government regarding the imposition of an additional duty on petrol. My Committee have repeatedly emphasised on the attention of both the Government of India and the Bombay Government the fact that the taxable capacity of the people has been reached long since and that the country could not bear any additional taxation, whether from the point of view of the Central Government or any of the Provincial Governments and specially in the Presidency of Bombay. The proposed additional duty on petrol will after all be an increased taxation, and so a burden upon the already overburdened taxpayer. My Committee are therefore strongly opposed to any such additional taxation. Even while they recognise the necessity for the improvement of roads,

they cannot concur with the suggestion of the Bombay Government that this improvement and repair of roads should be met by additional taxation. The Retrenchment Committees appointed both by the Government of India and the Government of Bombay have clearly shown in the past how heavy retrenchment can be effected in the general administration and yet whenever the Central Government or the Provincial Government has proceeded with the task of retrenchment, it has always been slipshod, half-hearted and desultory. My Committee hope that the sum required, viz. 19 Lakhs will be found from the existing revenues.

My Committee would like to draw the attention of the Road Committee to the fact that several reads apparently intended for public traffic are really meant for military purposes and beg to suggest, therefore that the cost of all such roads should be debited to military accounts.

My Committee are not in favour of the creation of a Central Road Board. They suggest that there should be Provincial Road Boards only as roads are a transferred subject and there is no reason why the Central Government should want to exercise their authority over them in this indirect form. The different Provincial Road Boards will themselves find out methods for co-ordinating their activities and working in co-operation. There are no Provincial Road Boards still in some Provinces and my Committee urge an immediate creation of these.

LIBRARY OF THE BOMBAY BRANCH OF THE ROYAL ASIATIC SOCIETY.

APPENDIX 89.

CHAMBER'S REPRESENTATIVE ON THE TAXATION OF PATENT MEDICINES COMMITTEE.

No. 347, dated 6th February 1928.

From Chamber to the Government of Bombay, General Department, BOMBAY.

SUBJECT.—Patent Medicines and Secret Proprietory Remedies—Taxation of—.

The attention of the Committee of this Chamber has been drawn to the proposed appointment of a Committee to consider the question of adopting legislation with a view to levy a tax on Patent Madicines and proprietory remedies in this Presidency. In this connection, I am directed by them to bring to your notice the fact that it is essential that the Indian commercial community should be adequately represented on such a Committee. This Chamber, as is well-known, represents almost all sections of the Indian commercial community, including manufacturers of drugs and medicines and as such should have a due representation on the proposed Committee. It is, therefore, hoped that the Government will be pleased to see their way to nominate a representative of this Chamber on the proposed Committee.

No. 5657/B., Bombay Castle, February 1928.

From The Government of Bombay General Department to Chamber.

I am directed to refer to your letter No. 347, dated the 6th February 1928 proposing that a representative of the Indian Merchants' Chamber may be nominated on the Committee appointed by Government to consider the question of the imposition

of a tax on patent medicines and to state that the Chairman of th Committee has decided to invite your Chamber to nominate a representative. It is accordingly requested that you will be so good as to communicate to this Department the name of the representative nominated by the Chamber.

2. The next meeting of the Committee will be held at 12 noon on Thursday the 16th February 1928 in the Committee Room on the 1st floor of the Secretariat, Fort, Bombay, and the Chamber' representative may be requested to attend that meeting.

3. Copies of the papers mentioned below are forwarded herewith for the information of the member :—

1. Government Resolution, General Department, No. 5657, dated the 17th January 1928.
2. Minutes of the first meeting held on 26th January 1928.
3. Draft of views as expressed by Dr. S. K. Vaidya, representative of Messrs. The Zandu Pharmaceutical Works, Ltd.

*Not printed Vide file No. R. 8 of 1928.

No. 428, dated 14th February, 1928.

From Chamber to the Government of Bombay General Department, BOMBAY.

With reference to your letter dated nil, No. 5657/B, I am directed to inform you that my Committee have nominated Mr B. D. Amin of the Alembic Chemical Works, Baroda, to represent this Chamber on the Committee appointed by Government on the above subject.

APPENDIX 90.

NEW REGULATIONS OF THE JAPAN UNION OF EXPORT HOSIERY MANUFACTURERS' ASSOCIATION.

No. 2696, dated 28th November, 1928.

From Chamber to the Consul for Japan BOMBAY.

I am directed by my Committee to draw your attention to the new regulations framed by the Japan Union of Export Hosiery Manufacturers' Association. My Committee are given to understand by the Bombay Hosiery Merchants' Association that these rules if given effect to, would seriously harm the Indian importers of Japanese Hosiery. They have, therefore, approached my Committee with a request to arrange for an interview with your goodself to place their grievances before you and suggest means to overcome the same. Accordingly, I am directed to request you to be good enough to let my Committee know if it will be possible for you to receive a deputation of the representatives of the Bombay Hosiery Merchants' Association on Monday, the 3rd proximo at 12 noon (S.T.). I may mention that Mr. L. R. Tairsee, President, will be accompanying them with myself in this connection.

I shall feel obliged if you will kindly let me have your reply as soon as possible, so that the parties may be informed in time.

Ref: 1928/T.602.CWST., Bombay, 30th Nobember 1928.

From The Consul in charge, Commercial Affairs, Bombay to Chamber.

I beg to acknowledge receipt of your letter No. 2696, dated the 28th November, 1928, addressed to the Consul for Japan, in the matter of the new regulations of the Japan Union of Export Hosiery Manufacturers' Associations.

The Senior Consul, Mr. S. Kurihara, is out of Bombay at present; and in his absence I, as the Consul in charge of Commercial Affairs, will be glad to receive, as desired, the deputation of the representatives of the Bombay Hosiery Merchants' Association as well as those of your Chamber. It will, indeed, give me an opportunity of acquainting myself properly of the local grievances.

I am sending you herewith a copy of the Osaka Mainchi & the Tokyo Nichi Nichi issued on the 27th October, 1928, which speaks for the circumstances which led the Union to form the new regulations in the welfare of the trade.

No. 2754, dated 5th December 1928.

From Chamber to the Consul in Charge, Commercial Affairs, Japanese Consulate, BOMBAY.

With reference to the interview you had with the President of this Chamber, together with the deputation of the Bombay Hosiery Merchants' Association, my Committee are obliged to you for the courtesy and patience with which you heard the case placed before you.

At the outset, I am to repeat what we stated at the interview that the case we put to you is one which my Committee have approved and which the Bombay Hosiery Merchants' Association agree to at our suggestion, though what the Association desired was much more than what we placed before you. My Committee note what actuated the Japan Union of Export Hosiery Manufacturers, but whilst they want to say nothing to deflect the Union, what they desire is to emphasise the fact that the process of stamping is the last and final process in the manufacture and does not interfere with the manufacture of goods as regards their quality or in other directions. What the regulation of the Japan Union desire is that the brand of the importer be put on the Register of the Union jointly with that of the manufacturer in Japan and be used in connection with the goods drawn from that particular

manufacturer. The Bombay Hosiery Merchants' Association if this is agreed to, would be at a disadvantage in asmuch as the competition, which is the essence and life of business, would thus be eliminated, and they will lose their proprietory rights which they have acquired both in equity and at Law. Local Hosiery Merchants, however, are agreeable to the brand of the importer here being put on the Register of the Japan Union but there will be no objection to the same being used in connection with all the supplies they draw from the Members of the Union, whether he may be this or that member of the Union. The object is thus to allow the members of the Bombay Hosiery Merchants' Association to have the benefit of their brands as also the advantage of competitive buying from the members of the Japan Union. My Committee consider this a reasonable and fair settlement and a way out of the situation which has arisen if the new regulations are to be enforced as proposed. The modification my Committee have suggested above, they hope, will meet both sides and will prevent that impasse which otherwise is imminent.

As desired, I give below names of the parties who accompanied the deputation:

(1) Mr. Keshavlal Pujaram, of Messrs. Keshavlal Pujram & Co., President, Bombay Hosiery Merchants' Association

(2) Mr. Haji Mahomed Abdullah, Secretary, Bombay Hosiery Merchants' Association.

(3) Mr. M. B. Mehta, of Messrs. M. B. Mehta & Co.

(4) Mr. Chottalal Pranjivandas representative of Messrs Abdul Tyeb Ismail Muskati.

APPENDIX 91.

INDIAN EMPLOYERS' DELEGATES AND ADVISERS TO THE 12TH AND 13TH SESSIONS OF THE INTERNATIONAL LABOUR CONFERENCE 1929.

Government of India . Department of Industries and Labour.

Dated SIMLA, the 25th October 1928.

PRESS COMMUNIQUE.

The Government of India have been informed that two Sessions of the International Labour Conference will be held at Geneva in 1929—the first, a General Session and the the Second a Special Session dealing with questions relating to Maritime Labour. The General Session (Twelfth Session) will open on the 30th May 1929 and the items on the formal Agenda of this Session are :—

I. Prevention of Industrial accidents.

II. Protection against accidents of workers engaged in loading or unloading ships.

III. Forced Labour.

IV. Hours of work of salaried employees.

Under the double discussion procedure, there will be a final discussion on the first two items and a first discussion on the third and fourth items.

The Maritime Session (Thirteenth Session) will open on the 10th October 1929 and the Items on the Agenda of this Session are:-

I. Regulation of hours of work on board ship.

II. Protection of seamen in case of sickness (including treatment of seamen injured on boardship).

III. Welfare of seamen in ports.

IV. Minimum standard of professional qualifications for Masters, navigating officers, and engineer Officers in charge of watches on Merchant Vessels.

2. The representation of each State for each of the two Sessions should include four delegates of whom two will be Government representatives, one a representative of the employers and one a representative of labour. The right of nominating all the delegates rests with Government, but in selecting the delegates for employers and labour, the Government of India will attach due importance to recommendations made by organised representative associations of employers and employed.

3. All suggestions as to the nomination of non-Government delegates for both the Sessions should reach the Secretary to the Government of India in the Department of Industries and Labour at the earliest possible date, and in any case not later than the 15th January 1929 in order to enable Government to make the selections, to report them to the International Labour Office and to make adequate arragements for the journey of the delegates.

4. Allowances (on a scale which can be ascertained by application to the Department of Industries and Labour) will be granted by Government to defray the expenses of delegates finally nominated.

Sd. J. LALL.

Deputy Secretary to the Government of India.

No. 2724, dated Bombay, 30th November 1928.

From Chamber to the Government of India, Department of Industries and Labour, NEW DELHI.

With reference to the Notification dated 25th October 1928, my Committee recommend the following names as Employers' Delegates and their Advisers to the Twelfth and Thirteenth

Sessions of the International Labour Conference, 1929. The names of Advisers are given in order of preference :—

XII Session—30th May, 1929 :

DELEGATE :

Mr. Kasturbhai Lalbhai, (A leading millowner of Ahmedabad).

ADVISERS :—

(1) Mr. P. Mukerji, (President of the Punjab Chamber of Commerce, Delhi).

(2) Mr. B. Das, M.I.A.

(3) Khan Bahadur A. Chandoo, (A leading businessman of Burma, and Agent of the Scindia Steam Navigation Company, Rangoon).

(4) Mr. R. K. Shanmukham Chetty, M.L.A.

XIII Session (Maritime)—10th October 1929 :

DELEGATE :

Mr. Jadunath Roy, (A leadaing merchant of Calcutta and largely interested in Shipping).

ADVISERS :—

(1) Mr. M. A. Master, (General Manager of the Scindia Steam Navigation Company, Limited, Bombay).

(2) Mr. Fakirji Cowasji, (An influential merchant of Karachi. He is interested in Shipping, Coal, and other lines of business of a large and varied character).

(3) Mr. Sheriff Hasam, (of the Eastern Navigation Company, Limited, Bombay).

(4) Mr. 'Bhonaji Rao, M.L.C.,(An influential landlord of Vizagapatam, and Agent of the Scindia Steam Navigation Company, Limited).

My Committee hope that Government will be pleased to accept the abovementioned suggestions and nominate the gentlemen recommended as Indian Employers' Delegates and their Advisers to the 12th and 13th Sessions of the International Labour Conference to be held at Geneva in 1929.

APPENDIX 92.

GOVERNMENT CHEMICAL ANALYSER—SCALE OF FEES FOR PRIVATE CHEMICAL ANALYSIS (VIDE CHAMBERS' REPORTS FOR 1925, 1926 AND 1927 PAGES 501, 622 AND 584, RESPECTIVELY).

No. 3701-11662-B, Bombay Castle, 23rd January 1928.

From the Government of Bombay, General Department, to Chamber.

SUBJECT.—Fees—Private analytical work at Government laboratories.

I am directed by the Government of Bombay (Transferred Departments) to refer to the correspondence ending with your letter No. G.-1867, dated the 26th August 1927, regarding the scale of fees for private analytical work undertaken in the Chemical Analyser's Department, and to observe as follows.

2. Government have carefully considered the representations of your Chamber and also those of the Bombay Chamber of Commerce on the subject and, as you are aware, attempted, in consultation with them, to devise a scale of fees for private analyses undertaken by the Chemical Analyser's Department which would satisfy both the Chambers, and at the same time not unduly interfere with the facilities required by commercial firms under existing circumstances and help the growth of an

independent profession of private analysts. Owing to the wholly divergent views expressed by the two bodies in this matter Government have been faced with a difficult situation in endeavouring to meet the wishes of the two chambers and they consider that experience alone can show whether any new rates of fees that may be laid down now are fair or not. Government have accordingly sanctioned, with effect from the 5th December 1927, the rates of fees mentioned in the accompanying statement 'A' as a trial measure for one year and I am to request that you will favour Government with the view of your Chamber regarding the effects these rates may have on the private analysts and commercial firms concerned two months before the sanction is due to expire.

3. The several other points arising out of your letters and particularly No. T.-1053, dated the 4th May 1926, are dealt with below :—

(i) **Creation of a new practice of surveys, valuations, etc. at mines, warehouses, docks, etc**—Extracts from a letter from the Chemical Analyser to Government, Bombay, explaining the situation in this matter are enclosed for information. Government considered that, in the circumstances stated by him, no further action is called for in this respect.

(ii) **Inability of independent Chemists to establish themselves owing to private practice of Chemical Analyser's Department.**—In the opinion of Government the reasons why merchants and commercial firms prefer to send work to the Chemical Analyser's Department, although their fees are higher than elsewhere, are (a) that the officers of the Department **have a much wider experience** in analytical chemistry not only of medico-legal articles and articles of food but also of commercial and industrial products, and (b) that they i.e., merchants and firms, can rely absolutely upon the impartiality or **bona fides** of the Government analysts, who depend for their living mainly upon their pay and are not entirely dependent on the fees earned from private analyses.

Thus the private practice of the Chemical Analyser's Department has not interfered with the growth of independent chemists, but, if low fees were charged by the former it would seriously affect the chances of establishment of the latter.

(iii) **Suitability or otherwise of Science graduates, etc., for the work in question.**—The University courses for the degrees of B. A., B.Sc., and M.Sc., deal with general training in theoretical and practical chemistry, but this alone is not enough for technical work of the nature under consideration, for which training and courses on the lines of those for the Associates of Institutes of Chemistry in England are necessary.

(iv) **Restriction of the existing private practice of the Chemical Analyser's Department**—Government are of opinion that it is not desirable, and in fact would be against the interests of the public, to discontinue or restict the existing private practice of the Chemical Analyser's Department, which, moreover, is beneficial to merchants and commercial and industrial firms in important cases as a control analysis or in cases of dispute, when an unbiassed independent opinion is required. What is necessary, therefore, to facilitate the establishment of independent chemists is to keep the fees at the Government Laboratory so high as to prevent competition with the private profession.

COPY OF EXTRACT PARAGRAPH (CLAUSE A) OF THE CHEMICAL ANALYSER'S LETTER NO. 2401, DATED THE 19TH JUNE 1926.

(a). **Creation of a New Practice for Survey.**

The only thing that is undertaken at this laboratory is the Chemical Analyses of substances that are submitted to us for test. Neither any survey is held nor any valuation is made of any article of merchandise.

In fact we have so far never been asked by any merchant to survey or value any article so as to find out the amount of damage, the consequent depreciation in value and the amount of rebate or refund to be thereby allowed. This has been done by the Marine Surveyors and others who, when the question involved is one of chemical analysis, send us the sample and from the results of our analysis make their own survey report.

Occasionally when a large heap of ore or several big casks or hundreds of tins of ghee are lying at a place and it is found impracticable to send an average sample therefrom at the laboratory we are requested to go to the place only for the purpose of drawing an average sample for analysis. Hence as has been mentioned by Colonel Higham a journey may have to be taken to the mine warehouse, dock or railway yard.

Even in such cases we are not invariably asked to draw the sample, as our fees for drawing samples are very high and the samples are drawn by a surveyor or an independent third party and sent to us under his seal.

To give an instance, last year a sample of tallow was sent to us for analysis by Messrs. Shaw Wallace & Co., on account of a dispute with their buyer. We were not asked to go to the godown to draw the sample but by mutual agreement between the parties the sample was drawn by the Secretary, Bombay Chamber of Commerce, and sent to us under the seal of the Chamber for analysis.

That it is absolutely necessary in certain cases for us to go personally to the docks etc., to draw the samples will be evident from the following instance.

At times hundred of tins of ghee are imported from Porbundar for direct shipment to Rangoon. The Rangoon Customs Authorities will not allow the ghee to land unless either a certificate from the Chemical Analyser, Bombay, or from the Health-Laboratory at Rangoon is produced. The tins come to Bombay by Railway and are warehoused at Wari Bunder Goods Yard and shipped direct to Rangoon.

If it is time for the ship to sail the merchants ask us to analyse it and give a certificate so that the samples may be landed at Rangoon without any delay that would otherwise occur if it were to be analysed at the Health Laboratory there.

Evidently one of us has got to go to the goods yard to draw an average sample as it is necessary to certify that the sample was drawn from that particular consignment.

As an instance that it is at times necessary for us to go personally to draw samples even when the analysis is performed on behalf of Government I might state that in January 1922 when his H. R. H. the Prince of Wales visited India a sample of Liquid Fuel was to be examined. This sample was in the tanks of s. s. "War Diwan" and it was being used as a fuel in H. M. S. "RENOWN".

The analysis was required by the Admiralty as they believed that some water had accidently got into the tanks containing the oil. The Admiralty would not take any risk as to the proper drawing of the sample and I had to go personally on board the "War Diwan" to draw the sample.

Again we have to go on board the steamers when it is necessary to examine the atmosphere of oil tanks to find out whether or no any explosive or suffocative gas is present (vide Government Resolution No. 5100, dated 25th July, 1916, General Department).

I find that this practice of drawing the samples has been in vogue at this laboratory ever since the private work is undertaken and personally I know it to be so ever since I joined the laboratory in 1912 and I was first deputed by Col. Dickinson to draw a sample of dye in February 1916.

That this drawing of a sample is not a frequent occurrence will be seen from the fact that only about 40 samples have been thus drawn out of about 3,000 samples analysed on behalf o private persons since 1912.

STATEMENT A.

Articles examined.	Scales of fees to be charged.	
	Chemical Analyser.	Assistant Chemical Analysers.
	Rs. A. P.	Rs. A P.
Potable water	30 0 0	22 8 0
Water for boiler purposes	50 0 0	37 8 0
Mineral oils lubricating complete	50 0 0	37 8 0
Mineral oils flash point only	25 0 0	18 0 0
Vegetable oils, complete.	50 0 0	37 8 0
Vegetable oils, with calorific value	125 0 0	100 0 0
Paints, complete	50 0 0	37 8 0
Dry colours and pigments.	30 0 0	22 8 0
Mineral ores, quantitative.	25 0 0	18 0 0
	100 0 0	75 0 0
Tallow and other sizing material.	35 0 0	25 0 0
Coal, proximate, analyses.	30 0 0	22 8 0
Coal calorific, value (Berm.)	60 0 0	45 0 0
Oilcakes, complete, with Castor seeds.	30 0 0	22 8 0
,, oil, albuminoid and sand	24 0 0	18 0 0
,, for Nitrogen only	15 0 0	10 0 0
,, oil and albuminoids	20 0 0	15 0 0
Bonemeals (manure)	35 0 0	25 0 0
,, for Nitrogen only	15 0 0	10 0 0
Manganese ore, commercial analysis.	60 0 0	45 0 0
,, ore, manganese only.	24 0 0	18 0 0
Lime Cements, chemical analyses	50 0 0	35 0 0
Soap, complete	50 0 0	37 0 0
Alloys, per constituent	20 0 0	15 0 0
	Per Constituent.	
Textiles, complete.	15 0 0	12 8 0
	Per Constituent.	
Sulphate of alumina and other chemicals	30 0 0	22 8 0

No. 2502, dated 5th November 1928.

From Chamber to the Government of Bombay, General Department. BOMBAY.

With reference to the correspondence ending with this office letter No. 2316, dated the 11th October 1928, I am directed by my Committee to inform you that so far no complaints are received as regards the scale of fees fixed by Government. They have, therefore, nothing to observe in that connection at present.

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(6) GENERAL.

APPENDIX 93.

THE INDIAN STATUTORY (SIMON) COMMISSION

Bombay, 5th January 1928.

RESOLUTION.

The Committee of the Indian Merchants' Chamber unanimously endorse the following resolution passed at the 5th Session of the Indian Industrial and Commercial Congress regarding the Statutory Commission on Indian Reforms :—

"THIS CONGRESS strongly protests against the exclusion of Indians from the Royal Commission on Constitutional Reforms. The Congress regards this as a calculated affront to this country and strongly urges all Indian Chambers of Commerce and other Commercial Bodies not to give evidence before the Commission or otherwise assist it in its deliberations."

APPENDIX 94.

LEAGUE OF NATIONS AND INDIA.

No. 183, dated 21st January, 1928.

From Chamber to the Government of India, Department of Health, Lands and Agriculture, NEW DELHI.

I am directed by the Committee of this Chamber to write to you in connection with (1) the Delegations of the Government of India at the League of Nations, and (2) the opportunities afforded to Indians to serve on the staff of the League of Nations:—

My Committee have always urged on the Government of India that the delegations on behalf of India at the International Conferences should consist of non-official Indians enjoying confidence of the people of India. Sometime back a resolution to that effect was passed by the Council of State at the instance of the Hon'ble Sir Phiroze C. Sethna. It is regretable to note that the Government have not yet seen their way to give effect to this demand of the Indian people. Year after year the delegations of the Government of India at the sessions of the League of Nations are headed by non-Indians. My Committee cannot understand the 'raison detre' of such appointments in the teeth of popular opposition, and emphatically protest against the way in which the delegations on behalf of this country are sent out.

There are surely eminent Indians enjoying full confidence of the people of this country who could have been entrusted with the work of leading such delegations.

It is really an anomaly that the delegations of one of the first state members of the League of Nations should be headed by foreigners while the delegations of the other members consist of their own nationals. I am therefore directed to request the Government of India to be pleased to lay it down once for all that all the delegations on behalf of the Government of India at the League

of Nations and other International conferences should be headed by and composed of non-official Indians enjoying full confidence of people of India.

With regard to the number of posts held by the Indians in the League of Nations Secretariat, I am directed to state that the figures available for the same portray not a pleasant picture. India pays 56 units for the expenditure of the League of Nations and stands sixth in order of payment. Great Britain which pays 105 units is allotted 207 posts in the League Secretariat, while France paying 79 units is entitled to 178 posts. Belgium which pays only 18 units has still 18 posts reserved for her nationals. Japan's share towards the expenditure is 60 units but the number of its nationals holding posts in the staff is 9. India paying 56 units has a paltry number of posts 2 to herself. In bringing this point out it is not the main object of the Committee to compare the pecuniary gain which each State derives from the League through its nationals on the League staff. The chief aim is to emphasise that the treatment meted out to this country should no longer be tolerated. The cultural advantage obtained by active participation in the actual working of the League of Nations is not small; and on this ground among others Indians should be given equal opportunities to work on the League Secretariat.

My Committee will be much obliged if Government will be pleased to inform them as to what steps they intend to take to give effect to these demands of the Indian people.

No. F.-58-I./28, C.&.G., New Delhi, the 15th February, 1928.

From the Government of India, Legislative Department to Chamber.

I am directed to refer to your letter to the address of the Secretary, Department of Education, Health and Lands, No. 183, dated the 21st January, 1928, on the subject of (1) the composition of the Indian Delegation to the Assembly of the League of

Nations, and (2) the lack of opportunities afforded to Indians to serve on the Staff of the League Secretariat.

2. As regards (I), I am to invite the attention of your Committee to the announcement made by the Honourable the Law Member in the Council of State on the 24th August, 1926, to which the Government of India have nothing to add.

3. As regards (2), I am to state that the Government of India have not been unmindful of the matter and have taken such steps as are in their power to press India s claims to a larger representation in the League Secretariat and that they will continue to take such steps whenever suitable occasion arises.

APPENDIX 95.

NOTE OF MR, B. F. MADON RE: BARDOLI LAND REVENUE RE-ASSESSMENT QUESTION.

No. 2927, dated 20th December 1928.

From the Chamber to the Secretary, Bardoli Re-assessment Enquiry Committee, Bardoli.

Re : *Bardoli Re-assessment Enquiry.*

I am directed by my Committee to send to you herewith a note prepared by Mr. B. F. Madon, their member, regarding the above subject.

I have to inform you that our Mr. B. F. Madon will be glad to appear before the Commitee in this connection if so desired. You will, therefore, kindly let me have your reply in this connection.

Bombay, 18th October, 1928.

Note on the Bardoli Question.

(By Mr. B. F. Modon.)

It will no doubt be conceded by all who have given any attention to this question that in arriving at the assessment

which is to hold good for the next 30 years all abnormal figures which may enter into the calculations should be eliminated because the object should be to arrive *at the normal* average income from agriculture. If we proceed along these lines we must entirely disregard all the figures for prices, rentals and sales during the years 1915 to 1921 *i. e.*, from the beginning of the war to the boom of 1920 and the subsequent crisis because *every thing during this period was most abnormal.* The war was a World War and as may be seen at a glance from the accompanying chart* the economic upheaval cannot be compared to anything in the whole previous century until we go back to the Napoleonic period (although the Civil War in the United States created a somewhat parallel situation). There was control over all sorts of commodities and some most urgently needed by the Allies were at fabulous prices, *e. g.*, Cotton or Hessians while others whose ordinary outlet to enemy countries had temporarily become impossible had to be sold at ruinously low prices of which Jute is the most outstanding example. Both Cotton and Jute are prime necessities of life but their prices during this period saw opposite extremes because Cotton proved to be in *short supply* and Jute in *oversupply* as far as the needs of the Allies were concerned. In fact Jute provides the strongest proof of the abnormality of the situation because while the raw material being in *over* supply as far as manufacturing capacity in Allied countries was concerned ruled at abnormally *low* prices, the *manufactured product* of this very material *viz.* Hessians, saw most wonderful prices. There is no need to further elaborate this point, and all impartial observers must agree that if prices have to be taken as the basis of assessment the prices of this wholly abnormal period must be entirely left out of calculation, and this means not only prices of *staple* products such as rice or cotton, but also the prices paid for the privilege of cultivating another man's land *i. e.*, rentals and the prices paid for the land itself *i. e.* sale values.

The next point that one must keep in mind is to see that

*Chart not printed Vide File No. R 51 of 1928.

all the values that are to be averaged to arrive at a basis for the assessment are *expressed in the same denomination i. e.*, in terms of the same money. If, for example, the prices, rentals, etc., in some of the villages in question had been expressed in Cutchee Cowries, and in other in Halli-Sikha rupees and in the rest in the British Government Rupee both Mr. Jayakar and Mr. Anderson—and all other officers also who had to deal with this question would have at once seen the necessity of converting all the three currencies to *a common denomination i. e.*, cowries and halli-sikka prices to the Brisish Rupee at the exchange of the day. It has never occurred to these officers that there could be any such problem of prices being expressed in different currencies because the currency unit has all along been called the Rupee inspite of important changes in its value, and there is therefore no change apparent to the *layman*. It is, however, well-known that our currency unit—although continuing to be known as the Rupee—has been repeatedly changed in value by legislative action. It has varied all the way from some 11½d. gold to 18d. gold in the period 1895-1915 and 1922-25 which was the final year of this period examined by Mr. Jayakar and the assessment whatever is may now be fixed at—*will have to be paid in terms of the* 18*d. gold rupee*. In other words the cultivator must find the equivalent of the 18d. gold rupee in produce to pay his assessment. A little reflection will show that the basis for an assessment that will have to be paid in the 18d. rupee shoull also be calculatted in terms of the same rupee. Thus the figures of prices, rentals, and sales, in a year when the Rupee was only 12d. gold would be 12/18 of those figures in terms of the 18d. rupee, and the figures for prices, rentals and sales during 1900-1915 when the rupee stood at 16d. gold would stand at 16/18 of those figures in terms of the 18d. rupee. All the figures for each year of the period under examination (the abnormal years 1915-20 being excluded) should therefore be recast on the basis indicated, and reduced to the terms of the 18d. rupee, if the cultivator is to have fair play.

The next point that has to be borne in mind is to leave out of calculation all transactions for rental or for sale that on the face of them are abnormal and do not represent the true economi- rental or sale value. The various villages are distributed into 4 groups each group comprising villages that enjoy more or less the same amenities as to soil, communications, markets, etc. Taking the figures in Appendix G. pp. 26-27 of Mr. Jayakar's report and converting the assessment and the sale prices given there into so much per acre for the area in question certain abnormalities at once strike the eye. Thus we find in the *same* group.

1. A sale price per acre for 1901-02 to 1910-11 of only

Rs.	36·6	in Shahpore Sarbhon	(3·2)
	49·0	„ Panda ..	(4·4)
	64·5	„ Isanpore ..	(3·9)
	71·	„ Bhuwasen ..	(3·6)
	83·8	„ Mirat ..	(3·8)
	99·7	„ Jakharda ..	(3·8)
	106·	„ Vagh Sarbhon ..	(4·2)
	126·	„ Ancheli ..	(4·3)
	149·	„ Bardoli ..	(4·5)
	198·	„ Ambhati ..	(4·3)

(The figures in brackets give the assessment per acre and it will be seem that for very nearly the same assessment and in the same group the sale values show astounding differences.)

	254·	in Varad ..	(5·2)
	231·5	„ Pardi Palla ..	(6·5)
	104·	„ Amalsadi ..	(5·8)
	128·3	„ Rayam ..	(7·6)
	123·	„ Supa ..	(7·3)

(There are other glaring discrepancies, land in Varad for instance realising 150 % more than land in Amalsadi which pays a higher assessment.)

2. In the period of 1911-12 to 1917-18 we have the same inexplicable discrepancies in sale values per acre.

		Rs.
Tajpur-bujrag	(3·6)	31 5
Amalsadi	(3·6)	120 0
Kuwadia	(3·8)	162 5
Isanpore	(3·9)	218 8
Nijad	(5·4)	297 6
Lakhanpore	(5·4)	495 5

	Rs.
Highest in the group—Sankari ..	554 0
Lowest in the same—Tajpur Bujrag ..	31 5

3. In the period 1918-19 to 1924-25 we find

			Rs.
Kharad	(3·85)	sale value ..	142 8
Mirat	(3·86)	„ ..	221 0
Kuwddia	(3·8)	„ ..	311 0
Pera	(3·96)	„ ..	352 5
Sankari	(4·5)	sale value ..	107 5
Ambheti	(4·)	„ ..	513 3
Pardi Palla	(5·4)	„ ..	821 8
Varad	(4·9)	„ ..	1,454 9

The significance of the above figures lies in the fact that the existing assessments (figures in brackets) should more or less indicate the comparative productivity of the soil as assessments are

Government's share of the nett surplus thereof. When sale values per acre in similarly assessed arears differ in this wonderful way the highest value being anywhere from 10 to 14 times the value realised for the lowest sold area it should at least make us pause. When it is an assessment that is to hold good for the next 30 years that is in question, the utter uselessness of these sale value figures should be apparent to any unbiassed mind because they do not seem to bear any definite relation to the productivity of the soil as indicated by the respective assessments which they should do because the argument underlying the use of sale values is that the buyer must be fixing his price in proportion to what it will yield. The unreliability of these figures is still further emphasised in the three periods which are compared inter se. Taking the sale values for the first period as 100 the values in the 2nd and 3rd period work out as follows :—

	First; 1901-10.	Second. 1911-17.	Third. 1918-25.
Tajpur Bujrag ..	100	83·8	402
Babla	„	119	275
Sarbhon	„	115	304
Sankari	„	467	92
Gosarda	„	533	503
Pardi Patta ..	„	159	355
Patti	„	211	633

While values seem to have gone down in the 2nd period in Tajpur Bujrag by some 16 % they have gone up by 50 % in Pardi Patta, 111 % in Patti, 367 % in Sankari and 453 % in Gosarda, and, all Government would claim, due to the interplay of the same economic causes and the same advance in prices because the argument is that the man who buys the land determines his figure by what the land would yield to him at current prices on a normal average yield.

Then, in the 3rd period, we see values in Tajpur Bujrag advances by some 418 % and in Patti by some 422 % while in

Gosarda they show a decline of 50 % in Sankari of some 375 %.

What is gone above shows the utter uselessness of the sale figures as data for assessment purposes, or atleast, at any rate emphasises the need of entirely recasting them omitting the war period and its aftermath *i.e.*, 1915-21, and also excluding such sale figures as are clearly abnormal, and, after this, they should be worked out in terms of the 18d. rupee.

We shall now examine the figures of Rentals given in Appendix-H, pp. 40 of Mr. Jayakar's Report. The figures and assessment and of rent are here also reduced to so much per acre for easy comparison. We find an extraordinary variation here also which is not easy to explain for villages in the same group and therefore presumed to be more or less similarly circumstanced. We find in 1901-10.

Only Rs. 4-41	per acre	in Patti
9·69	,,	Varad.
16·35	,,	Supa.
24·07	,,	Ancheli.

These great discrepancies clearly indicate that the higher rentals are not for the productivity of the land as such but for other improvements or amenities and averaging such widely varying figures of rentals as data for assessment purposes is not likely to lead to equitable results for the cultivator.

Looking at the three periods inter se and reducing them to terms of the first period taken as 100 we have the following remarkable discrepancies :

	First.	Second.	Third.
Ancheli	100	41·7	52
Mirat	100	98·5	118
	First.	Second,	Third.
Lakhanpur ..	100	181·0	83·8
Tajpur Bujrag ..	100	189·0	162·0
Nogana ..	100	100·5	160·0
Varad —	100	162·0	253·0

There are some very serious discrepancies here. Varad shows a *rise of* 62 % in the 2nd and 153 % in the third period while Ancheli shows a *decline* of 51 % in the 2nd and 48% in the 3rd period and Lakhanpur *also shows a decline* of 11% in the 3rd period. This must surely be wrong as for both Ancheli and Lakhanpur *rapidly increasing sale values are reported* for the 2nd and 3rd period :

		1st.	2nd.	3rd.	
Ancheli	Rs.	126	212	271	per acre.
Lakhanpur	,,	176	495	761	,,

When thus closely examined it will be seen that it is hopeless for rental values also to give us any reliable data and in any event if they are to be used at all they should only be used after elimination of the years 1915-21 and also of the obviously abnormal rentals in the other years and recasting the figures in terms of the 18d. rupee. Accordingly even after elimination of the 1915-21 period if the sale and rental figures are to be used at all as data, the *years should be studied separately* and any sale prices or rentals that exceed by more than say 20 per cent of the normal sale or rental value arrived at for each Village from considerations of yield should be considered as abnormal and should be discarded as then alone can a correct conclusion be arrived at.

It may well be asked how are such normal rental and sale figures to be arrived at. The fairest way would be to work out the *nett yield* for an *average* holding for *each* village.

on the basis of data in the 1898 settlement for the first period.

on the basis of data that should be available in the Agricultural Department for the first year of each of the other two periods.

For this purpose the three periods should be 1901 to 1907, 1908 to 1915 and 1921-1927 and the nett yield should be found for an average holding in 1901, 1908 and 1921 respectively. Then any figure say 20% above or below the figure for the first year of the group should be suspect as *not correct economic rental* but

based on *other* considerations and *should be left out of consideration for settlement purposes.*

The same data of nett yield will help us to arrive at the *correct economic sale values.* An investor in agricultural land who looks for a reasonable yield on his money must expect a much higher average return than the yield on Gevernment paper. He will no doubt next see that the actual yield in a good year is much more than this average yield in order to make up for deficits in poor or bad years. Taking the yield on Government paper as about 3½% for the first two periods (1901-07 and 1908-15) and 5½ % for the third period (1921-25) any intelligent investor in agricultural land would look for a yield of at least 7 % during 1901-1915 over good and bad years. He would similarly look for at least 11 % over goods and bad years in the 3rd period, 1921-25. As the yield on his money will come from the nett economic rent obtained *less* the assessment he has to pay we arrive at our basis for testing sales values *viz.*

14 to 15	times	(R-A) for	1901-07
-do-		-do- ,,	1908-15
9 to 10	,,	,, ,,	1921-25

and *any sales figures that vary from this standard by more than say* 20% *either way should be treated as abnormal* and should be left out of calculation.

There is one further consideration to which attention may be drawn in this Note. It is that of the tendency of world prices in the next 30 years (the period of the new assessment). The chart mentioned earlier would indicate that after the big price upheavals of the Napoleonic wars as well as the 1860-70 wars prices continued to decline for many years. Prices have been steadily declining since the last war also and many expert economists forecast continuance of this trend and prices 10 years hence may be at even a lower level than pre-war. If this is the case any assessment fixed *now is bound to prove increasingly onerous to the cultivator* as he will have to part with *more and more of his commodities* to meet the *same* assessment *in terms of rupees.*

STATEMENT I.

Statement showing the selling value of land in villages of Bardoli Taluka and Peta Mahal Valod of Surat Collectorate.

Serial No.	Name of Village.	1901-02 to 1910-11.		
		Assessment per acre.	Sale price per acre.	No. of times assessment represented by selling price.
1	2	3	4	5
		Rs.	Rs.	
3	Amalsadi. . .	5.8	104	17.86
4	Ambheti . . .	4.3	198	45.9
5	Ancheli . . .	4.5	126	27.8
6	Babla . . .	4.3	83.5	19.4
8	Bardoli	4.5	149	33.2
10	Bhuwasen . .	3.6	71	19.4
54	Chhitra . . .	4.3	60.5	13.9
11	Goji . . .	3.9	58.5	15.0
12	Gosarda . .	3.4	64.5	18.6
14	Isanpore . . .	3.9	121	31.0
15	Isroli . . .	4.3	59.9	13.9
16	Jakharda . .	3.8	99.7	26.2
62	Kharad . . .	4.7	41.3	8.8
64	Kuwadia . .	3.4	53.5	15.7
19	Lakhanpore . .	5.3	176	33.2
20	Malekpore . .	4.1	82.5	20.1
21	Mota . . .	4.1	89.7	21.8
23	Nirat . . .	3.8	83.8	21.9
22	Nijar . . .	5.7	143.2	25.0
24	Nogama . . .	4.2	81.5	19.5
26	Panda . . .	4.4	48.0	11.1
30	Patharadia . .	4.3	100	23.3
31	Patti . . .	3.6	61	16.9
28	Pardi Patti . .	6.5	231.5	35.5
29	Pardi Wagha . .	4.2	79	18.8
32	Pera . . .	4.4	160.5	36
33	Puni . . .	5.0	126.5	25.3
34	Rajpura Lumbha .	..	..	..
35	Rayam . . .	7.6	128.3	16.9
40	Sarbhon . . .	4.6	137.6	29.9
38	Sankari . . .	5.2	116.5	22.4
37	Shahpore Sarbhon .	3.2	36.6	11.4
42	Siyod . . .	4.9	158.3	32.3
43	Supa . . .	7.3	123.9	16.9
44	Tajpur Bujrag .	3.7	37.6	10.1
45	Tarbhon . . .	3.9	134	34.4
46	Tigra Sarbhon . .	4.9	115	23.7
47	Vadoli . . .	4.6	133	28.6
48	Vagh Sarbhon . .	4.2	106	25.2
50	Varad . . .	5.2	254	48.8

Serial No.	Name of Village.	1911-12 to 1917-18.		
		Assessment per acre.	Sale price per acre.	No. of times represented by selling price.
		6	7	8
		Rs.	Rs.	
3	Amalsadi. . .	3.6	120	33.6
4	Ambheti . . .	4.1	333	81.2
5	Ancheli . . .	4.6	212	46.1
6	Babla . . .	4.2	100	23.8
9	Bardoli . . .	4.6	186	40.0
10	Bhuwasen . .	4.0	155	39.0
54	Chhitar . . .	4.3	165	38.4
11	Goji . . .	4.4	108	24.5
12	Gosarda . .	4.4	356.8	81.0
14	Isanpore . . .	3.9	214.8	55.0
15	Isroli . . .	4.3	129.3	30.0
16	Jakharda . .	4.1	217	52.9
62	Kharad . . .	3.5	98.6	28.1
64	Kuwadia . .	3.8	162.5	42.2
19	Lakhanpore . .	5.4	495.5	91.0
20	Malekpore . .	4.4	199.2	45.3
21	Mota . . .	4.4	184.1	42.0
25	Nirat . . .	4.6	149.0	32.4
22	Nisar . . .	5.4	297.6	55.0
24	Nogama . . .	3.8	344.6	91.7
26	Panda . . .	5.3	271.6	51.2
30	Patharadia . .	4.5	241.5	53.6
31	Patti . . .	4.7	129.0	27.4
28	Pardi Patti . .	5.0	368.5	73.7
29	Pardi Wagha . .	4.6	263	57.4
32	Pera . . .	..	..	..
33	Puni . . .	41.8	2193.7	52.4
34	Rajpura Lumbha .	5.8	116.4	20.0
35	Ravam . . .	6.8	334.8	49.2
40	Sarbhon . . .	4.5	157.7	35.0
38	Sankari . . .	9.4	544	57.8
37	Shahpore Sarbhon .	4.7	127.0	27.0
42	Siyod . . .	4.0	282	70.5
43	Supa . . .	6.8	195.4	28.7
44	Tajpur Bujrag .	3.6	31.5	8.7
45	Tarbhon . . .	4.3	159.9	37.2
46	Tigra Sarbhon .	4.07	294.2	72.03
47	Vadoli . . .	4.3	200.3	46.6
48	Vagh Sarbhon .	4.1	180.4	44.0
50	Varad . . .	4.9	474.4	96.7

Serial No.	Name of Village.	1918-19 to 1924-25.		
		Assessment per acre. 9	Sale price per acre. 10	No. of times represented by selling price. 11
		Rs.	Rs.	
3	Amalsadi. . .	4.21	189.2	44.8
4	Ambheti . . .	4.0	513.3	128.3
5	Ancheli . . .	4.64	271.16	58.5
6	Bahla . . .	3.53	230.1	65.1
8	Bardoli . . .	5.0	450.3	90.6
10	Bhuwasen . .	5.7	576.5	101.0
54	Chhitar	5.16	285.8	55.3
11	Goji . . .	3.6	190.0	52.7
12	Gosarda . . .	4.1	324.7	78.2
14	Isanpore . . .	4.94	389.45	78.8
15	Isroli . . .	4.56	318.76	69.9
16	Jakharda . .	4.23	387.42	91.5
62	Kharad . . .	3.85	142.8	37.09
64	Kuwadia . .	3.8	311.0	81.8
19	Lakhanpore . .	4.76	761:5	159.9
20	Malekpore . .	4.35	340.2	78.2
21	Mota . . .	4.4	365.3	83.0
23	Nirat . . .	3.86	221.1	57.7
22	Nijar . . .	5.36	381.3	68.5
24	Nogama . . .	4.2	443.5	105.5
26	Panda . . .	5.83	411.1	70.5
30	Patharadia . .	4.35	340.4	78.2
31	Patti . . .	4.75	386.1	85.2
28	Pardi Patti . .	5.40	821.8	149.6
29	Pardi Waghd . .	4.40	440	100.0
32	Pere . . .	3.96	352.5	89.04
33	Puni . . .	5.19	383.5	73.8
34	Rajpura Lumbha .	5.8	235.2	40.0
35	Rayam . . .	5.57	391.6	70.3
40	Sarbhon . . .	4.9	418.8	85.4
38	Sankari . . .	4.5	107.5	23.8
37	Shahpore Sarbhon .	3.9	217.7	55.0
42	Siyod . . .	4.3	427.7	99.4
43	Supa . . .	6.49	384.7	59.2
44	Tajpur Bujrag .	3.58	151.1	42.2
45	Tarbhon . . .	4.54	320.4	70.5
46	Tigra Sarbhon . .	3.85	324.5	84.3
47	Vadoli . . .	4.6	514.4	111.9
48	Vagh Sarbhon . .	4.67	434.2	92.9
50	Varad . . .	4.9	1454.9	296.9

(Appendix G to Mr. Jayakar's Report, dated 30th June 1925, pages 26-27, Group-I only.)

STATEMENT II.

Statement showing the Assessment and rent per acre of lands in the villages of Bardoli Taluka and Peta Mahal Valod.

Serial No. of App. A.	Name of Village.	1901-02 to 1910-11.		
		Assessment per acre land leased.	Rents per acre of land leased.	Multiple of assessment represented by rent.
1	2	3	4	5
		Rs.	Rs.	%
3	Amalsadi	3.74	10.2	2.7
4	Ambheti	4.54	10.6	2.3
5	Ancheli	4.36	24.07	5.52
6	Babla	..	..	..
8	Bardoli	5.17	10.03	1.93
10	Bhuwasan	3.82	11.20	2.93
55	Chhitra	4.56	5.48	1.20
11	Goji	3.66	6.46	1.76
12	Gosarda	3.96	10.10	2.55
14	Isanpur	4.73	7.80	1 86
15	Isroli	4.69	7.27	1.53
16	Jankharda	3.85	11.42	2.96
62	Kharad	3.91	8.35	2.13
64	Kuvadia	3.54	5.70	1.61
19	Kakhanpur	6.30	22.32	3.54
20	Malekpur	3.54	10.54	2.97
21	Mota	4.35	8.68	1.76
23	Ninat	4.63	11.72	2.52
22	Nijar	5.55	11.60	2.09
24	Nogama	3.71	11.72	3.15
26	Panda	5 1	8.99	1.75
30	Patharadia	2.04	5.21	2.55
31	Patti	3.31	4.41	1.35
28	Pardi Patti	5.16	16.02	3.10
29	Pardi Vagha	4.60	12.78	2.77
32	Pera	4.16	11.79	2.83
33	Puni	5.27	13.21	2.51
34	Rajpura Lambha	..	..	..
35	Rayan	7.72	8.30	1.07
40	Sarbhon	4.66	10.17	2.17
38	Sankari	6.00	8.00	1.33
37	Shahpore Sarbhon	3.54	6.59	1.86
42	Siyodi	3.62	10.10	2.78
43	Supa	6.59	16.35	2.48
44	Rajpur Bujrag	4.04	5.53	1.36
45	Tarbhon	4.29	10.48	2.48
46	Tigra Sarbhon	4.09	13.01	3.18
47	Vadoli	4.61	11.78	2.55
48	Vaghech Sarbhon	4.52	10.38	2.29
50	Varad	5.32	9.69	1.82

Serial No. of App. A.	Name of Village.	1911-12 to 1917-18.		
		Assessment per acre of land leased.	Rent per acre of land leased.	Multiple of assessment represented by rent.
1	2	6	7	8
		Rs.	Rs.	%.
3	Amalsadi. . .	4.74	14.08	2.97
4	Ambhoti . . .	3.95	18.80	4.75
5	Ancheli . .	3.48	9.94	2.85
6	Babla . . .	3.94	9.19	2.32
8	Bardoli . . .	5.07	13.61	2.68
10	Bhuwasan . .	3.55	11.05	3.11
55	Chhitra . . .	5.00	9.63	1.92
11	Goji	3.94	9.20	2.33
12	Gosarda . . .	4.45	13.53	3.04
14	Isanpur . . .	4.64	13.04	2.81
15	Isroli . . .	4.40	8.61	1.95
16	Jankharda . .	4.14	16.56	4.00
62	Kharad . . .	4.66	9.11	1.95
64	Kuvadia . . .	3.76	8.48	2.25
19	Kakhanpur . .	5.67	40.38	7.12
20	Malekpur . .	4.00	13.22	3.30
21	Mota . . .	4.29	10.36	2.41
23	Ninat . . .	4.57	11.54	2.52
22	Nijar . . .	5.81	16.16	2.78
24	Nogama . . .	3.96	11.77	2.97
26	Panda . . .	7.25	14.86	2.04
30	Patharadia . .	4.66	15.36	3.29
31	Patti . . .	4.02	7.57	1.88
28	Pardi Patti . .	6.05	15.74	2.60
29	Pardi Vagha . .	4.29	14.73	3.43
32	Pera . . .	4.03	11.32	2.80
33	Puni . . .	5.45	16.66	3.05
34	Rajpura Lambha .	5.82	22.53	3.87
35	Rayan . . .	5.26	16.72	3.17
40	Sarbhon . . .	4.86	13.17	2.76
38	Sankari . .	6.01	14.21	2.36
37	Shahpore Sarbhon .	3.61	7.68	2.12
42	Siyod . . .	3.95	16.20	4.10
43	Supa . . .	6.31	17.07	2.70
44	Rajpur Bujrag .	3.88	10.43	2.68
45	Tarbhon . . .	3.62	10.42	2.88
46	Tigra Sarbhon .	4.27	18.08	4.23
47	Vadoli . .	4.46	15.76	3.53
48	Vaghech Sarbhon .	4.65	13.53	2.90
50	Varad . . .	4.95	15.69	3.16

Serial No. of App. A.	Name of Village.	Assessment per acre of land leased.	1918-19 to 1924-25.	
			Rent per acre of land leased.	Multiple of assessment represented by rent.
		9	10	11
		Rs.	Rs.	%
3	Amalsadi. . .	4.04	15.97	3.95
4	Ambheti . . .	4.14	20.43	4.93
5	Ancheli . . .	4.20	12.51	2.98
6	Bahla . . .	4.35	14.26	3.27
8	Bardoli . . .	5.20	18.55	3.56
10	Bhuwasan . .	3.83	19.77	5.16
55	Chhitra . . .	4.27	16.50	3.86
11	Goji . . .	4.24	11.86	2.79
12	Gosarda . . .	3.79	22.03	5.81
14	Isanpur . . .	4.92	23.35	4.74
15	Isroli . . .	4.21	9.37	2.22
16	Jankharda . .	4.89	13.21	2.70
62	Kharad . . .	4.66	11.90	2.55
64	Kuvadia . . .	3.78	13.86	3.67
19	Kakhanpur . .	5.03	19.82	3.94
20	Malekpur . .	4.13	16.96	4.10
21	Mota . . .	4.15	15.53	3.74
23	Ninat . . .	4.47	13.82	3.09
22	Nijar . . .	5.89	22.49	3.81
24	Nogama . . .	3.93	18.73	4.76
26	Panda . . .	5.66	25.94	4.56
30	Patharadia . .	5.23	25.35	4.84
31	Patti . . .	..	..	2.20
28	Pardi Patti . .	5.22	24.94	4.78
29	Pardi Vagha . .	4.68	17.80	3.80
32	Pera . . .	4.08	15.66	3.84
33	Puni . . .	5.06	22.74	4.49
34	Rajpura Lambha .	..	..	..
35	Rayan . . .	5.18	16.05	3.09
40	Sarbhon . . .	4.80	13.84	2.88
38	Sankari . .	5.53	14.12	2.55
37	Shahpor Sarbhon .	3.36	10.25	3.05
42	Siyod . . .	4.13	19.86	4.81
43	Supa . . .	8.11	27.50	3.39
44	Rajpur Bujrag .	3.78	8.95	2.36
45	Tarbhon . . .	4.11	20.55	5.00
46	Tigra Sarbhon .	4.66	26.51	5.66
47	Vadoli . .	4.12	19.55	4.74
48	Vaghech Sarbhon .	4.85	25.81	5.32
50	Varad . . .	6.20	24.55	3 95

Camp Madhi, 5th January 1929.

From the Revenue Officer on special duty, Bardoli and Chorasi Talukas, to Chamber.

I have the pleasure to acknowledge your letter No. 2927 of 20th December 1928 enclosing a note by your Mr. B. F. Madon on the Bardoli question. We are obliged to Mr. Madon for his thoughtful treatment of the subject, which will receive our due consideration, but as much of what is stated in the note has already come to our notice in other ways in the course of our minute personal inquiries, we think there will be no need to trouble Mr. Madon to appear personally before us, more particularly as our inquiries are being conducted in various camps in the Talukas under investigations and not at any fixed centre. We shall however be pleased to interview him at any time if he wishes to see us.

APPENDIX 96.

BACKBAY RECLAMATION SCHEME.

No. G.-1909. dated 30th August, 1927.

From Chamber to the Government of Bombay Development Department. BOMBAY.

I am directed by the Committee of this Chamber to write to you in connection with the filling in of the Back Bay Block No. 8.

The Kay Committee in their report observed that the actual reclamation of the Block No 8 could be completed by the end of the financial year 1927-28 and that soon after that date the Government of India be expected to take possession of the land and mak the payment of Rs. 239·09 lakhs according to agreement. My Committee, from the very beginning, felt doubtful of the position

of this Block regarding which an optimistic picture was drawn by the Government. They have reasons to believe that in this particular case, the percentage of shrinkage of the land has far outweighed the liberal allowances made by the Neilson Committee and the revised estimate of the Development Department for the same. It will be interesting, in this connection, to recall what the Neilson Committee observed on that point. They reported that "from observation and experiment this shrinkage will be heavy and after careful consideation the Committee consider it prudent to fix the percentage for shrinkage at 40%.".

My Committee cannot overlook the fact that the Government of India are not likely to take possession of the Block No. 8 in its present condition, because the land has not yet completely settled down; and it is not unlikely that it will take a long time before the land will be made available for building purposes. My Committee, therefore, will feel obliged if the Government of Bombay will be pleased to inform them as to the actual shrinkage in the Block No. 8 and the probable date on which the Government of India would take possession of the land as arranged between them and the Government of Bombay.

An early reply to this letter will be appreciated.

No.B—1/72, (S.B.)Bombay Castle, 20th January, 1928.

From the Government of Bombay Development Department, to Chamber.

I am directed to refer to your letter No. G.-1909, dated the 30th August 1927, regarding the reclamation of block No. 8 of the Back Bay Reclamation Scheme, and in reply to say that Government regret that the data available are not sufficient for anything like an accurate estimate of the amount of shrinkage in block No. 8. This is chiefly, but not entirely, due to the fact that, owing to the rubble mound not being sealed for the first dredging season and for the greater part of the second, the amount of dredged

material retained in block 8 during these seasons is not accurately known. It is true, however, that the initial bulking of the dreged material into block 8 and therefore the consequent shrinkage have been much greater than was anticipated. Observations have been made in block 7 and these show that the shrinkage from the beginning of May last to the beginning of November is about 20 per cent. The material pumped into block 8 during the last season of dredging into it was lighter than the material in block 7 and it is likely that the shrinkage of the final season's deposit in block 8 was greater than will occur in block 7.

2. With regard to the transfer of block 8 to the Government of India, I am to say that, at the request of the local military authorities, an area of about 20.5 acres at the southern end of the block was completed in advance of the rest of the block and transferred to the military authorities at the end of November 1927. An endeavour is being made to speed up the work of dry filling, so that the remaining portion of block 8 may be ready for transfer to the military authorities by May 1928, but the prospect of doing this is not certain.

No. 376, dated 7th February 1928.

From Chamber to the Government of Bombay, Development Department, BOMBAY.

I am directed to acknowledge receipt of your letter of the 20th January, No. B.-1/72-(S.B.).

It appears from your letter that the apprehension of my Committee regarding a greater percentage of shrinkage than was anticipated or estimated for has occurred with regard to Block No. 8, and also with regard to Block No. 7 This will enhance materially the cost of filling up of these two Blocks and my Committee will be much obliged if you will be kind enough to let them know as to what will be the increase of expenditure over the expenditure already estimated for each of these Blocks. In view of this greater percentage of shrinkage, my Committee

beg to suggest that there should be as much retrenchment of expenditure as possible for Block No. 7 and also that the work for filling up of Block No. 2 should be stopped altogether, pending the results of Block No. 1. The work of filling the Block No. 1 has been taken on hand long since and the Government will be able to see if the percentage of shrinkage and the consequent expenditure are according to the estimates originally laid down or exceed them as in case of Block No. 8 and Block No. 7. These results of Block No. 1 will enable both the public and the Government afterwards to see whether there is any justification for pushing on with the work of Block No. 2. In the meanwhile, it would be in public interests to stop work entirely for Block No. 2, since there is no likelihood for any demand for land in the near future. It is in the opinion of the Committee a ruinous policy tending further to depress the land market by creating and placing more land than a legitimate demand justifies and my Committee hope Government will be pleased to realise their mistake even at this eleventh hour and stop further waste of public funds.

No. B.-1/72-(S. B.), Bombay Castle, 2nd May 1928.

From the Government of Bombay, Development Department to Chamber.

I am directed to refer to your letter No. 376, dated the 7th February, 1928, regarding the Back Bay Reclamation Scheme, in which you request that your Committee may be informed of the excess over the estimated expenditure in respect of blocks Nos. 7 and 8 of the Back Bay Reclamation Scheme owing to the shrinkage of the material dredged into the blocks being greater than was originally anticipated. In the same letter you also state that your Committee suggest that there should be as much retrenchment of expenditure as possible in the case of block No. 7 and also that work in connection with block No. 2 should be stopped altogether pending the results of dredging into block No. 1.

2. With regard to the first part of your letter, I am to say that, as announced by Government in the Bombay Legislative Council during the last budget session, the excess in the cost of murum topping of block No. 8 owing to the extent of shrinkage of the dredged material is estimated to be Rs. 11.50 lakhs. As regards block No. 7, I am to say that in the forecasts placed before the Legislative Council during the budget session in March 1927 the quantity of murum topping provided for this block was 5,89,000 cubic yards at an estimated cost of Rs. 10.63 lakhs, including establishment charges. Government regret that the data available at present are not sufficient to enable them to say by how much this provision will be exceeded. Rough observations so far made show that the shrinkage in this block has been 27 per cent. from the beginning of May 1927 to the beginning of March 1928. Accurate cross sections will be taken across the whole of the block before the dry filling is taken in hand when the exact quantity of dry filling to be deposited and the excess over the anticipated cost will be calculated.

3. With regard to your Committee's suggestion to stop altogether the work in connection with the filling of block No. 2 pending the results of shrinkage in the case of block No. 1, I am to say that the programme of work in connection with the Back Bay Reclamation Scheme, to which Government are at present committed, includes the reclamation of block No. 8 (undeveloped) and the reclamation and development of blocks Nos. 1, 2 and 7 with a connecting drive between blocks Nos. 2 and 7. This programme is based on the decision of the Bombay Legislative Council during the budget debates in March 1927. The Mear's Committee have also recommended in their report that blocks Nos. 1 and 2 should be completed as early as possible as being the most valuable in the whole project. In accordance with these decisions, Government, after consulting the Standing Advisory Committee for the Back Bay Reclamation Scheme on which your Committee is represented, have decided to reclaim block No. 2 by dredged filling and arrangements for dredging into the block during the next season are now in progress.

Government consider that it would be a wrong step to depart at this stage from these decisions. Your Committee's suggestion that there should be as much retrenchment of expenditure as possible in the case of block No. 7 has been noted.

No. 1648, dated 20th July 1928.

From Chamber to the Government of Bombay, Development Department, BOMBAY.

I am directed to acknowledge receipt of your letter, dated 2nd May, 1928, No. B.-1/72 (S. B.).

It appears from it that the excess in the cost of murum topping of Block No. 8 and the extent of shrinkage of the dredged material is estimated to be Rs. 11.50 lakhs. With regard to Block No. 7, it is observed that rough observations, so far made show, that the shrinkage in this Block has been 27% from the beginning of May 1927 to the beginning of the March 1928.

My Committee do not understand where would be the finality of expenditure under these circumstances. The heavy increases in the original estimates have upset the calculations and will be responsible for raising the cost of the land when plots are finally offered to the public. My Committee are strongly of opinion that as such a large percentage of shrinkage is observed with regard to Block Nos. 8 & 7, no further work should be carried out with regard to Block No. 2, regarding which the filling in work is being carried on at present. The shrinkage has falsified the previous estimates and will be a serious loss to be reckoned with when the final calculations for these Blocks are made up. My Committee have from the beginning opposed the reclamation of Block No. 2, and in view of the miscalculations regarding expenditure and shrinkage which have been brought to notice with regard to other Blocks, it is very necessary that the whole position should now be reconsidered. In the meantime, it is highly desirable that the filling in of Block

No. 2 should at least be suspended until accurate data are available with regard to the extent of the shrinkage.

No. B.-1/72-(S. B.), Bombay Castle, 30th August 1928.

From the Government of Bombay, Development Department, to Chamber.

In your letter No. 1648, dated the 20th July 1928, regarding the work of filling in Block No. 2 of the Back Bay Reclamation Scheme, you have communicated your Committee's opinion that, as the shrinkage of dredged filling in Blocks Nos. 7 and 8, has been greater than was anticipated and as there have been consequent excesses in expenditure, it is necessary that the whole position should now be reconsidered and, in the meantime, the filling in of Block No. 2 should at least be suspended until accurate data are available with regard to shrinkage.

In reply, I am directed to state as follows :—

It is true that the extent of the shrinkage of dredged filling in blocks Nos. 7 and 8 was not foreseen, but it is not correct to compare the conditions in these blocks with those in block No. 2. The material dredged from the harbour into blocks Nos. 7 and 8 consisted of a high percentage of silt with clay, and a little sand, while that dredged from Back Bay into blocks Nos. 1 and 2 is mostly clay and sand with little silt and the shrinkage of this material is not likely to be nearly so great as that of the fine silt of the harbour. The process of shrinkage in blocks Nos. 7 and 8, particularly in the latter, is also protracted because the bed is rocky, so that the drying out of the water in the dredged material is confined only to the surface; when the monsoon sets in the dredged filling again becomes wet and slushy, and shrinkage is retarded. On the other hand, in blocks Nos. 1 and 2, in addition to the drying at the surface, the water percolates throgh the bed, which is sandy. Your committee will thus see that conditions in blocks Nos. 1 and 2 are not the same as in blocks Nos. 7 and 8.

2. The circumstances in which Government decided fo reclaim block No. 2, in addition to blocks Nos. 1, 7 and 8, and their decision to dredge into this block during the next season were explained in Government letter No. B.-1/72-(S. B.), dated 2nd May 1928. Since that date considerable expenditure has been incurred in preparing for next season's work, while no fresh circumstances have arisen to justify any modification of the decision already taken.

Report of the Special Sub-Committee regarding the progress of the Back Bay Reclomation Scheme:

A meeting of the Special Sub-Committee was held on Saturday, the 22nd Spetember 1928 at 2-15 P.M., (S.T.,, when the following members were present:—

Mr. L. R. Tairsee (President).

Mr. H. A. Lalji, M.L.C., (Vice-President).

Mr. Lalji Naranji, M.L.C.

Mr. B. F. Madon.

Mr. J. K. Mehta. (Secretary).

The Sub-Committee considered original estimates, revised estimates and percentages of shrinkages, etc., regarding the various blocks of the Back Bay Reclamation Scheme which are being reclaimed at present. They have come to the conclusion that in view of the utter unreliability of estimated figures for expenditure and the probable shrinkages for these blocks, it is highly desirable that the Government of Bombay should be asked to stop completely the Reclamation programme of block No. 2 and a resolution to that effect should be moved in the Bombay Legislative Council. The Sub-Committee are informed by Mr. Lalji Naranji that he has already sent in one resolution of the kind proposed above, to the Secretary, Bombay Legislative Council, which is given below for the information of the Committee:—

RESOLUTION,

"In view of the estimates of all the blocks being continuously falsified owing to several uncertain factors, viz:-

dry or wet filling; hard, rock or sandy bottoms; the amount of shrinkage, etc., this Council recommeds to the Governor-in-Council that all further expenditure of block No. 2 must be forthwith stopped until correct and reliable estimates for further expenditure are placed before the House and approved."

APPENDIX 97.

ALL INDIA ACCOUNTANCY BOARD.

No. 72, dated 11th January 1928.

From Chamber to the Government of India, Department of Commerce, DELHI.

Re: Proposed formation of the Indian Institute of Public Accountants.

The Committee of this Chamber are given to understand that the Government of India intend to introduce legislation in the Legislative Assembly regarding the formation of the Indian Institute of Public Accountants shortly. They will be much obliged if the Government will be pleased to inform them whether the same is a fact or not.

No. 53-TM., New Delhi, the 10th February 1928.

From the Government of India, Department of Commerce, to Chamber.

In reply to your letter No. 72, dated the 11th January 1928, I am directed to invite attention to the question asked by Mr. M. R. Jayakar, in the Legislative Assembly on the 1st February 1928 on the subject and the reply given thereto by the Hon'ble Sir George Rainy.

A copy of the Question and Answer is enclosed.

QUESTION.

MR. M. R. JAYAKAR: (a) Will the Government be pleased to inform this House as to what has been done in furtherance of the scheme of instituting an All-India Accountancy Board with a view to convert the same within three years into an Institute of Accountants?

(b) Is it a fact that the whole scheme as prepared by the Special Committee appointed for the purpose is now ready?

(c) If so, will Government be pleased to inform the House whether it is going to be published, and if so, when?

(d) Is it a fact that some European Chartered Account ants have objected to the inauguration of the scheme? If so, do Government propose to shelve it or carry it through?

ANSWER.

THE HONOURABLE SIR GEORGE RAINY, K.C.I.E., C.I.S., I.C.S., M.L.A.,: (a) to(c). The attention of the Honourable Member is invited to the reply given by the Honourable Sir Charles Innes to Question No. 1097 asked by Mr. Fazal Ibrahim Rahimtulla in this House on the 21st March, 1927. The Government of India have not yet been able to undertake the necessary legislation, but hope to do so at the next September session.

(d) The answer to the first part is in the negative. The second part does not arise.

No. 527, dated 22nd February 1928.

From Chamber to the Government of India, Department of Commerce, NEW DELHI.

With reference to your letter No. 53-TM., dated the 10th February 1928, I am directed by my Committee to state that last year Sir Charles Innes, the then Commerce Member, gave an assurance to the Legislative Assembly that the necessary legislation regarding the formation of an Indian Institute of Public Accountants would be undertaken in September 1927. From the Hon'ble Sir George Rainy's reply to Mr. M. R. Jayakar no the 1st February, 1928, it appears that the Government of India hope to introduce the legislation at the next September session of the Legislative Assembly. My Committee are glad to have this assurance from the Government and express the desire that this assurance will now be carried out.

No. 2287, dated 9th October 1928.

From Chamber to the Government of Bombay, Home Department, BOMBAY.

I am directed by my Committee to invite your attention to the reply given by the Hon'ble Sir George Rainy, Commerce Member, Government of India, to the interpellation put by Mr. M. R. Jayakar in the Legislative Assembly on 13th September 1928 regarding introduction of a Bill for the Institution of an All India Accountancy Board. It appears from the same that a scheme regarding the proposed Accountancy Board has been already prepared and Local Governments have been asked by the Government of India to furnish their views after consultation with bodies or persons interested in the subject.

My Committee will feel obliged if Government will be pleased to inform them whether they (Government) have asked any body to express opinion on the same. My Committee have been

taking keen interest in the subject from the beginning and they will like to see the proposed scheme and offer their views on the same.

No. 1961-E., Bombay Castle, 16th October 1928.

From the Government of Bombay, Educational Department, to Chamber.

With reference to your letter No. 2287, dated the 9th October 1928, regarding the proposed All-India Accountancy Board, I am directed by the Government of Bombay (Transferred Departments) to refer you to the Director of Public Instruction, Bombay Presidency, Poona, who has been asked to take the necessary action in the matter.

No. 2429, dated 26th October 1928.

From Chamber to the Director of Public Instruction, Bombay Presidency, POONA.

My Committee are given to understand by the Government of Bombay, Educational Department, that the scheme prepared by the Government of India, regarding the proposed establishment of an All-India Accountancy Board, has been referred to you by them (Bombay Government) for necessary action. It may be pointed out in this connection that opinions of various commercial bodies, are as a rule invited by Government on such important questions.

My Committee understand that some other Provincial Governments have invited the views of commercial bodies on the question under reference. They have been taking a keen interest in this subject from the very beginning; and I am directed to enquire whether you have invited opinions of any commercial bodies on the same. They will also feel obliged if you will be

good enough to supply them with a copy of the scheme for their consideration and opinion thereon at your early convenience.

Thanking you in anticipation.

No. 153-23-A, Poona, 1st November 1928.

From the Director of Public Instruction, Poona to Chamber.

With reference to your letter (No. 2429 of 26th October), I have the honour to inform you that I have already asked the Secretary, Accountancy Diploma Board, Bombay, to consult the other Commercial bodies and to supply the Chamber with a copy of the proposed scheme for the establishment of Indian Accountancy Board.

No. 2507, dated 6th November 1928.

From Chamber to the Secretary, Accountancy Diploma Board, c/o. Sydenham College of Commerce & Economics, Hornby Road, Fort, BOMBAY.

I am given to understand by the Director of Public Instruction, Bombay Presidency, that the proposed scheme for the establishment of the Indian Accountancy Board is being considered by your Board and that you have been asked to supply this Chamber with a copy of the scheme. As this Chamber has not, upto now, received a copy of this scheme, my Committee will feel obliged if you will kindly supply them with a copy of the ame for their consideration.

No. 886 of 8th November 1928.

From the Accountancy Diploma Board, Bombay, to Chamber

I have the honour under instructions from the Director of Public Instruction, Bombay, to forward herewith a copy of the Government of India, Department of Commerce No. 131-T.(2)

of the 20th August 1928 and the accompanimen to it and to request you to send me at an early date the views of your Chamber on the scheme embodied in the memorandum accompanying the letter from the Government of India.

No. 935 of 20th November 1928.

From the Accountancy Diploma Board, Bombay to Chamber.

I have the honour to invite your attention to this office letter No. 886 of the 8th instant forwarding a copy of the scheme regarding the All-India Accountancy Board and to state that the Director of Public Instruction Poona, desires my Board to submit their report on the scheme very early. I, therefore, request you to furnish me with the views of your **Chamber** on the scheme **at a very early date.**

No. 2653, dated 23rd/24th November 1928.

From Chamber to the Accountancy Diploma Board, BOMBAY.

I have received your letter No. 935, dated 20th November 1928, marked **very urgent,**

My Committee are distressed to point out to you the fact that though the Government of India circulated the Local Governments with regard to this important question on the 20th August 1928 by their letter No. 131-E.(2) they did not hear anything about this communication till they addressed the Government of Bombay on the 9th October 1928. The Government of Bombay referred us to the Director of Public Instruction, and my Committee addressed him on the 26th October, 1928. He again referred us to you in his letter of the 2nd instant, No. 153/23 A, and my Committee addressed you on the 6th instant. Thus my Committee were taken on an unnecessary circumlocution round. We received the papers from Mr. H. L. Kaji, Offg. Secretary of your Board, on the 9th instant, and three more copies from you on the

14th instant. You will thus see that it has taken three months for this important communication from the Government of India to reach my Committee, and in contrast with such activity we are now asked to hasten up our reply within a week of our receiving these papers. My Committee regret that a communication of such vital importance to the Commercial Community should have been subject to such a long delay in transmission to them and that it should have been sent to them only after they approached Government and two successive officials. A Sub-Committee of my Committee are considering the question and the views of my Committee will be sent to you at an early date. My Committee hope that Government will appreciate the fact that the views on such an important question cannot be formulated and despatched within a week or so, and that if the papers had been received in time no delay would have taken place. My Committee, therefore, again wish to emphasise that delay has not been due to them.

No. 131-T.(2).

Government of India.

DEPARTMENT OF COMMERCE.

SIMLA, the 20th August, 1928.

FROM

The Hon'ble Sir GEOFFREY CORBETT, K.B.E., C.I.E., I.C.S.,

Secretary to the Government of India. to Local Administrations.

I am directed to refer to the correspondence ending with your letters on the subject of the establishment of an Indian Accountancy Board. In their letter No. 131-T.(2), dated the 16th November 1925, to the address of all Local Governments (copy enclosed), the Government of India reviewed the existing arrangements for the grant of auditors' certificates under section 144 of the Indian Companies Act, 1913 which were never intended to be more than temporary and transitional; and they expressed certain

tentative and provisional views on the course of future development. It was explained that the Government of India were of opinion that the ultimate aim should be to build up in India an association or associations of Accountants of the same standing and reputation as the principal Institutes and Societies of Accountants in the United Kingdom ; but they thought that it would be generally agreed that in consideration of the importance of the issues at stake and of the need for ensuring that any such association should be generally recognised as authoritative, it would be premature at present to attempt to establish an association which would be fully responsible for the maintenance of the requisite standards of professional qualification and conduct among its members. If this were the general opinion, it appeared to the Government of India to be essential that any new arrangements for the grant of auditors' certificates should be such as would be consistent with the ultimate formation of an authoritative association of Accountants ; and as a first step towards this object it had been suggested that the Government of India should constitute an Indian Accountancy Board. The Government of India considered that the suggestion was attractive and asked the Local Governments for a preliminary expression of their views. At the same time, it was proposed to call a small informal conference of persons specially interested in the subject and specially qualified to advise on it, and of representatives of Local Governments, to explore the whole subject.

2. The opinions received indicated that it was generally accepted that the time was ripe for some measure of central control, and the subject was further examined at the informal conference which was held at Delhi on the 20th March 1926. Opinion at the conference was almost unanimous that the preparation of a scheme for an Indian Accountancy Board should be proceeded with, and that the formation of an autonomous association of Accountants should be kept in view as the ultimate aim. The conference appointed a sub-committee to consider the details of the scheme ; and the Memorandum, which forms an encloser to this letter, embodies the final views at which the

Sub-Committee arrived at a meeting held at Delhi on the 19th March 1927.

3. The Memorandum is self-contained, and there is only one matter on which some further explanation appears to be required. This is the question whether any distinction should be recognised between "practising" and "non-practising" Accountants: and in particular, whether auditors' certificates should in future be granted only to Accountants in independent practice, or should continue, as at present, to be granted also to Accountants holding, for instance, a salaried post in a business firm. It is understood that no such distinction exists in English law, and that the professional restrictions imposed by Institutes and Societies of Acountants in the United Kingdom differ. After very careful consideration, the sub-committee was of opinion that no distinction should be made either in the Indian Companies Act or in rules made under the Act for the certification of auditors, and that both "practising" and "non-practising" Accountants should be equally eligible for certificates entitling them to act as auditors of public companies. The sub-committee considered that the matter might be further examined by the Indian Accountancy Board when constituted, but was of opinion that it could only be finally settled by a demand from shareholders that the accounts of companies in which they were interested should be audited by "practising" Accountants.

4. I am now to ask that the Government of Madras, etc., after you consulting such bodies or persons as they may think desirable, you will furnish the Government of India with their views on the your scheme embodied in the Memorandum.

I have the honour to be,
Sir,
Your most obedient servant,
G. L. CORBETT,
Secretary to the Government of India.

Letter to (1) the Secretary to the Government of Bombay, Educational Department; (2) the Secretary to the Government of Madras, Law (Education) Department; (3) the Secretary to the Government of Bengal, Commerce Department; (4) the Secretary to the Government of the United Provinces, Industries Department; (5) the Under Secretary to the Government of the Punjab, Ministry of Education; (6) the Secretary to the Government of Burma, Finance and Revenue Department; (7) the Secretary to the Government of Bihar and Orissa, Revenue Department; (8) the Secretary to the Government of the Central Provinces, Commerce and Industry Department; and (9) the Secretary to the Government of Assam, Finance Department, No. 131-T.()2, dated the 16th November 1925 (Confidential).

I am directed to refer to the correspondence ending with

(1) your letter No. 1961-E., dated the 30th April 1923, to the Secretary to the Government of India, Department of Education, Health and Lands,

(2) your letter No. 720, dated the 8th May 1924,

(3) your letter No. 2246 Com., dated the 1st April 1924,

(4) Mr. Reid's letter No. 398-B., dated the 5th April 1924,

(5) Mr. Tydeman's letter No. 197-X. S., dated the 14th June 1924,

(6) your letter No. 143-J.-24, dated the 31st December 1924,

(7) your letter No. 816-Com. 1-J.1, dated the 4th March 1924,

(8) Mr. Irwin's letter No. 542-379-XIII, dated the 27th February 1924,

(9) Mr. Soames' letter No. 1306-F.M., dated the 25th February 1924,

on the subject of the proposals (of the Government of Bombay) for the revision of the rules regulating the award of the Government diploma in accountancy of the Sydenham College of Commerce and Economics at Bombay. The Government of India have now

received replies from all Local Governments in respect of these proposals, and as the result of these replies and of the developments that have taken place in India since the position was last reviewed in their letter No. 5392-5405-3 of the 9th July 1913, they are satisfied that the whole question of the training and certification of auditors in India must be reconsidered from a broader standpoint.

2. One of the main objects of the Government of India in passing the Indian Companies Act of 1913 was to ensure that the accounts of companies should be properly audited, and section 144 of the Act deals with the appointment and qualifications of auditors. This section provides for three classes of auditors. Under the proviso to section 144 (1) the Governor-General in Council may notify institutions or associations whose members shall be entitled to be appointed and to act as auditors of companies throughout India, and six associations have been notified under this section. They are :—

The Institute of Chartered Accountants of England and Wales;

The Society of Incorporated Accountants and Auditors
The Society of Accountants in Edinburgh;

The Institute of Accountants and Actuaries in Glasgow;
The Society of Accountants in Aberdeen; and

The Institute of Chartered Accountants in Ireland.

Apart from this proviso to section 144 (1), the Act leaves it to Local Governments to make rules regulating the grant of certificates to auditors of public companies, and under section 144(2) a Local Government may grant either an unrestricted certificate entitling the holder to act as an auditor of companies throughout British India or a restricted certificate entitling the holder to act as an auditor of comapnies only within the limits of the province. The Act imposes no limit on the discretion of Local Governments but by arrangement between the Local Governments and

the Government of India, the grant of unrestricted certificates is ordinarily confined to those who have obtained the diploma of the Accountancy Diploma Board, Bombay. Such persons, however, are not entitled to practise within the limits of any particular province unless they have first obtained a certificate under section 144 (1) from the Government of that province., They constitute the second class of auditors. In addition, there is a third class of auditors who do not possess the above diploma but who by reason of long practical experience are considered fit by a Local Government to be appointed auditors of companies and who are permitted to practise in the province for such period as may be thought advisable.

3. The existing arrangements were never intended to be more than temporary and transitional. The third class of auditors referred to will obviously disappear in the course of time as properly trained auditors become available, but apart from this point, the arrangements are open to criticism. In the first place, the Government of India doubt whether the provisions of section 144 of the Companies Act are in consonance either wth the classification of subjects under the existing constitution or with the probable lines of future constitutional advance. Secondly, other Local Governments can hardly be expected to acquiesce indefinitely in an arrangement which concentrates the theoretical part of the training of auditors of companies in a single province. Indeed, one Local Government has already put up a scheme for the training of auditors in its own province.

4. For these and other reasons the Government of India consider that the whole position must now be re-examined. The last twelve years have seen in India not only a large increase in the number of limited liability companies but also an increase in their size and importance and in the range of their activities. These activities frequently extend beyond the limits of a single province, and there is now a tendency also for shares in industrial concerns to be more widely held. It is obvious of course that the main object should be that a high standard of professional qualification should be prescribed, and that the maintenance of that standard

at a uniformly high level throughout India should be ensured. A further and equally important object to be kept in views is the maintenance among certified auditors of a high uniform standard of discipline and professional conduct.

5. The Government of India have always held and are still of opinion that the ideal system would be to build up in India an association or associations of the same standing and reputation as those mentioned in paragraph 2 of this letter, and they observe that expression has been given to the same ideal in paragraph 12 of the report of the External Capital Committee. If such an institution could be established, it could appropriately make itself responsible for the maintenance of the requisite standard of professional qualification and conduct among its members. The Government of India do not propose to rule out absolutely the possibility of encouraging the formation of an association or institute of this kind, with the object subsequently of conferring upon it some kind of charter. It is a question which requires further examination and discussion. But, as at present advised, they think that it will be generally agreed that in consideration of the importance of the issues at stake and of the need for ensuring that any such institute should be generally recognised as authoritative it would be premature at present to attempt to establish an institute fully endowed with these functions. But if this is the general opinion, then it appears to the Government of India to be essential that any new arrang ments which may be made for the grant of certificates to auditors of companies in India should be such as would be consistent with the ultimate formation of an association or institute of the kind referred to in the preceding paragraph of this letter. With this object in view, it has been suggested that the Government of India should begin by establishing an all India Accountancy Board. The diploma given by this Board would cannote high professional attainments and would entitle the holders thereof to practise their professional anywhere throughout British India without further permission. This Board would be only a temporary institution. It is hoped that in connection with this all-India Board it may prove possible to

bring together in some form of institute or association auditors possessing high professional qualifications and now practising in India as well as those who may hereafter be qualified to practise whether on diplomas issued by this all-India Board or otherwise, so that, as experience is gained and numbers, such institute or association will be able and competent to take over the duty of maintaining standards of qualification and training in the profession.

6. The Government of India are of opinion that the suggestion is an attractive one. If the principle of the proposal meets with general approval, it will be necessary to work it out in detail, but there are one or two points on which some preliminary remarks are required. The first relates to the functions of the proposed all-India Board. These might roughly be defined as below :—

(1) Subject to the approval of the Government of India to frame and issue rules prescribing the qualifications and covering both the theoresical and practical training of auditors and the grant of diplomas in accountancy ;

(2) to appoint examiners and to arrange for the conduct of examinations in accountancy ;

(3) to recognise institutions in which the arrangements made for instruction in accountancy are satisfactory and the students of which will be allowed to sit for examination.

(4) to maintain lists of approved firms in which candidates for the final diploma can obtain practical training ;

(5) to prescribe the period of such practical training ;

(6) to grant an all-India diploma in accountancy.

(7) to institute into alleged misconduct by holders of all-India diplomas ;

(8) to recommend to the Government of India the cancellation of all-India diplomas where the holder has been found guilty of professional misconduct ; and

(9) generally to keep in touch with holders of the all-India diploma and with other members in India of the six societies referred to in paragraph 2 above in order gradually to build up an association of accountants and auditors in India.

The exact constitution of the Board will be worked out later, but if the functions are on the lines indicated above, clearly the Board should be composed mainly of persons of high standing in the profession drawn as far as possible from different provinces. The members of the Board would be nominated by the Government of India who would also nominate the Chairman.

It may also be necessary to establish in a few selected centres where the work is heavy Local Boards similarly constituted but working under the all-India Board to relieve the all-India Board of certain current but local work. It is not proposed that men now holding restricted or unrestricted certificates should be debarred from practising, but it is essential part of the scheme that after a stated period the issue of such certificates by Local Governments should cease in order that ultimately the auditing of the accounts of companies may be left entirely to those who hold the highe qualification of the all-India diploma.

7. The subject is a very important one, and it will be understood that the views expressed in this letter are purely tentative and provisional. The Government of India would be grateful if the Government of $\frac{\text{Bombay}}{\text{Madras}}$ etc. could let them have a preliminary expression of their views by the 15th January next. It is theirr present idea to take advantage of the opportunity afforded by the presence in Delhi during the forthcoming session of the Legislature of various persons who are specially interested in the subject and specially qualified to advise on it, to assemble a small informal conference. At the conference the whole subject will be explored, and it is hoped that it will be possible not only to arrive at preliminary conclusions but also to decide how best those conclusions

can be carried into effect. It is hoped that the Government of Bombay / Madras / etc. will be able either to nominate one of its representatives on the Legislature to attend this conference or to send up some one specially for the purpose. In the meantime, I am to say that there is no objection to non-officials specially interested in the subject or in commerce or banking being consulted confidentially.

MEMORANDUM.

I.—Summary of the Scheme.

(1) In sub-sections (1) and (2) of section 144 of the Indian Companies Act, 1913, "Governor-General in Council" should be subsituted for "Local Government" as the statutory authority which—

(*a*) grants certificates to persons entitling them to act as auditors of public companies (auditors' certificates); and

(*b*) makes rules providing for the grant of such certificates.

(2 The Governor General in Council should maintain, by rules made under section 144 of the Act, an Indian Registrar of Accountants.

The Governor General in Council should grant auditors' certificates only to persons who are enrolled in the Indian Register of Accountants. Such certificates should be renewable annually and should not be renewed to persons whose names have been removed from the Register of Accountants.

The amending Act should provide for—

(*a*) the cancellation of auditors' certificates granted by local Governments prior to its enactment; and

(*b*) the repeal of the proviso to section 144(1) of the Act; but should allow an interval within which persons thereby affected would have sufficient opportunity to become enrolled in the Indian Register of Accountants and to obtain auditors' certificates from the Governor General in Council.

(3) The Governor General in Council should appoint, by rules made under section 144 of the Act,—

(*a*) an Indian Accountancy Board for the purpose of advising him on all matters relating to the administration of section 144 of the Act and the rules made thereunder, and to assist him in maintaining the standard of qualificati on and conduct of persons enrolled in the Indian Register of Accountants; and

(*b*) local Accountancy Boards at important centres for the purpose of advising the Indian Accountancy Board or the Governor General in Council on any matters that may be referred to them.

(4) The amending Act should come into force at a future date to be notified, so that the existing arrangements may continue until the Accountancy Boards are ready to function.

II.—The Indian Register of Accountants.

(1) The Register should be maintained by the Governor General in Council, by rules made under section 144 of the Act, with the advice of the Indian Accountancy Board. It should be called the 'Indian Register of Accountants', with the sub-title 'maintained under the authority of the Government of India'.

A person enrolled in the Register should be entitled to style himself 'Indian Registered Accountant', and to put the letters 'I.R.A.' after his name.

Enrolment in the Register should be individual and dependent on residence in India. A firm should not be permitted to be enrolled as such.

(2) When the Register is first opened the following persons should be entitled to be enrolled :—

(a) all members of any institution or association previously notified by the Governor General in Council under the proviso to section 144(1) of the Act, who are then resident in India ;

(b) all persons then holding the Government of India Diploma in Accountancy (G.D.A.), which is now awarded on the recommendation of the Accountancy Diploma Board, Bombay ;

(c) all persons then holding unrestricted auditors' certificates previously granted by local Governments under section 144 of the Act.

There should be no time limit within which such persons should be required to apply for enrolment in the Register of Accountants. But members of notified institutions and associations and holders of auditors' certificates granted by local Governments will cease to be entitled to act as auditors of public companies after a certain date to be fixed by the amending Act.

(3) Subsequently, the following persons should be entitled to be enrolled :—

Persons who have satisfied

(a) the tests prescribed by the Governor General in Council with the advice of the Indian Accountancy Board ; or

(b) tests recognised by the Governor General in Council with the advice of the Indian Accountancy Board as equivalent to these tests.

NOTE.—Tests recognised as equivalent would be membership of any institution or association which is now notified under the proviso to section 144(1) of the Act. But it is understood that there are also other Societies

of Accountants in England, the British Dominions, the United States of America and elsewhere, some of which are of high standing, while others are more lax. It is probable that as soon as the new scheme is introduced, some of these Societies will apply through their Councils for recognition. It is suggested that the members of such Societies should not automatically be eligible for enrolment in the Register of Accountants, but that individual applications should be considered on their merits.

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(4) Any person enrolled in the Register of Accountants should be entitled to apply to the Governor General in Council under section 144 of the Act for an auditors' certificate.

The tests prescribed for enrolment in the Register of Accountants should include the qualifications of character, age, etc., which are now required from applicants for auditors' certificates, and should ordinarily be assumed to satisfy the requirements of the Governor General in Council in this respect.

There should be no distinction at present between "practising" and "non-practising" either in the Register or as a condition of eligibility for an auditor's certificate. But the desirability of such a distinction might be considered later by the Indian Accountancy Board, when constituted.

(5) Every person enrolled in the Register of Accountants should be required to pay—

(a) an entrance fee of Rs. 150 on enrolment; and

(b) an annual registration fee of Rs. 32.

If the annual registration fee is not paid by a certain date, the person's name should be liable to be removed from the Register of Accountants.

No additional fee should be payble for an auditor's certificate. But an auditor's certificate should be made renewable annually,

and should not be renewed until a receipt of payment of the annual registration fee has been produced.

(6) Existing holders of restricted auditor's certificates granted by local Governments, who are entitled to be enrolled in the Register of Accountants, should be permitted by the rules made under the Act to continue to act as auditors of public companies within the limits of their respective provinces. Their certificates might be made permanent instead of being renewable periodically as at present. No new restricted auditors' certificates should be issued.

III.—The Indian Accountancy Board.

(1) The Indian Accountancy Board should be constituted by rules made under section 144 of the Act. All members of the Board should in the first instance be nominated by the Governor-General in Council, and its functions should be advisory.

(2) The Board should in the first instance consist of 17 members, namely,

The Commerce Secretary, Government of India.	1	ex officio.
The Auditor-General, or an officer recommended by him.	1	
From Bengal (including Bihar and Orissa and Assam)	4	
From Bombay (including the Central Provinces.)	4	
From Madras	2	
From Northern India	1	
From Burma	1	
Unallotted	3	
Total	17	

The term of appointment for members other than ex-officio members should be three years.

The Commerce Secretary should be ex-officio Chairman of the Board; and until the work is sufficient to require a whole-time Secretary, an officer of the Commerce Department should act as Secretary.

The leading Accountants in India should be invited to serve on the Board in order that it may be as authoritative as possible, but the Board should be representative not only of different provinces but also of different classes of Accountants.

The Board should not be composed entirely of practising Accountants, but should include, at any rate in the first instance, some businessmen, preferably persons who are also non-practising Accountants.

(3) The functions of the Board should be to advise the Governor General in Council in all matters relating to the administration of section 144 of the Act and the rules made thereunder, and to assist him in maintaining the standards of qualification and conduct required of persons enrolled in the Indian Register of Accountants. In particular, the Board should—

(a) examine the applications of those who apply to be enrolled in the Register of Accountants when it is first opened, and advise whether they should be enrolled;

(b) advise what tests should be prescribed for subsequent applicants for enrolment in the Register of Accountants, the regulations for theoretical and practical training, and the qualifications of character, age, etc.;

(c) prepare syllabuses for the examinations which applicants for enrolment in the Register of Accountants should be required to pass, and advise at what places the examinations should be held, by whom they should

be conducted, and who should be appointed examiners in each subject;

NOTE.—Canditates for examination should not be required to attend any prescribed college or other institution for preparation.

(d) advise by what firms of Accountants, and on what conditions, apprentices should be taken for practical training;

(e) assist in maintaining proper standards of conduct among Indian Registered Accountants; and

(f) advise the Governor-General in Council on any other matter that he may refer to it.

(4) The Board should determine its own procedure, when constituted.

Meetings of the full Board should be held as often as is required, provided that a meeting should be held at least once a year.

The question of appointing an Executive Committee should be considered by the Board, when constituted.

The place of meeting should be fixed so as to suit as far as possible the convenience of members, but should ordinarily be at the headquarters of the Government of India or at Calcutta or Bombay.

Eight should be a quorum.

(5) Members of the Board (other than officers of the Government of India, who will draw travelling allowances under the ordinary rules) should receive a first class fare to and from the place of meeting and a fee of Rs. 50 per diem for each day of absence from their place of residence. Members resident at the place of meeting should receive a fee of Rs. 50 for each day on which they attend a meeting.

IV.—Local Accountancy Board.

(1) Local Accountancy Boards should be constituted by rules made under section 144 of the Act at—

Calcutta, for Bengal, Bihar and Orissa and Assam;

Bombay, for the Bombay Presidency including Sind, and the Central Provinces;

Madras, for the Madras Presidency and Coorg;

Rangoon, for Burma: and

Delhi or some other place in Northern India, for Delhi, the United Provinces, the Punjab, the North-West Frontier Province, Baluchistan and Ajmer-Merwara.

(2) Local Accountancy Boards should consist of not more than 8 members and not less than 4.

A member of the Indian Accountancy Board should be ex-officio a member of the local Board for the province in which he resides.

Other members of the local Boards should be nominated by the the Governor-General in Council in consultation with the local Governments concerned.

The term of appointment for members other than ex-officio members should be three years.

The Chairman of a local Board should be a member of the Indian Accountancy Boord , and should either be appointed by the Governor-General in Council or be elected by the local Board.

(3) The functions of a local Board should be to advise the Indian Accountancy Board or the Governor General in Council on any matters that may be referred to it, and in particular on matters relating to the profession of Accountants within its area.

(4) The procedure would ordinarily be that the Commerce Secretary, Government of India, as Chairman of the Indian Ac-

countancy Board, would refer any such matter to local Boards generally, or to the local Board or Boards particularly concerned; and when the replies of the local Boards had been received, he would place the matter before the Indian Accountancy Board.

(5) Members of local Boards should receive the same travelling allowances and fees as members of the Indian Accountancy Board.

V.—Finance.

(1) The cost of the scheme should be met by receipts from the following sources:—

(a) entrance fees on enrolment in the Register of Accountants;

(b) annual registration fees; and

(c) eamination fees.

(2) Expenditure would include:—

(a) conduct of examinations and remuneration of examiners, which should be covered as far as possible by examintion fees;

(b) travelling allowances and fees for attending meetings of the Accountancy Boards;

(c) staff;

(d) Printing, stationery, etc.

(3) Receipts should be credited to a separate fund or account, which should be administered by the Governor-General in Council with the advice of the Indian Accountancy Board.

The annual budget of this separate fund or account should be placed before the Indian Accountancy Board every year.

No. 2846, dated Bombay, 12th December 1928.

From Chamber to the Secretary, Accountancy Diploma Board, BOMBAY.

I am directed to send you hereby the views of the Committee of this Chamber regarding the subject matter of your letter of the 20th November, 1928, No. 935.

My Committee are glad to note that the Government of India have at last taken up the question of organising an Indian Accountancy Board. This subject has been engaging the attention of Government since the last three years, and my Committee hope that the Memorandum now being circulated by Government for opinion of the commercial community will be put into practice at as early a date as possible.

My Committee are of opinion that since these regulations open up a new chapter in the development of the Accountancy profession, there should be no distinction made hence forth between different classes of Auditors in respect to the right of practising all over Inida and no differential treatment be extended to hem. It will have, of course, to be specially laid down as to who are eligible in the first instance for being brought on the Register of Accountants and Auditors. My Committee in this connection recommend that the following Accountants should be brought on the Register of Accountants and Auditors :—

(1) All members of any Institution or Association previously notified by the Governor General in Council under the proviso to Section 144 sub-section (1) of the Act who are then resident in India ;

(2) All persons then holding Government of India Diploma in Accountancy (G. D. A.) which is now awarded on the recommendation of the Accountancy Diploma Board, Bombay ;

(3) All persons then holding both unrestricted and restricted Auditors' certificates previously granted by Local Governments under section 144 of the Act.

From this it will be noticed that my Committee strongly disapprove of the proposed elimination from registration of Auditors who are at present holding restricted certificates from the scheme adumbrated in the Memorandum. These Auditors have been earning their living in this profession all their life and have rendered no small service to the cause of the profession in which they have been employed. It would be very invidious, in the opinion of my Committee, to class them now separately from the other Auditors. My Committee recognise that it is proposed to provide them with permanent restricted certificates but that they are not to be placed on the Register. My Committee, however, see no reason why these Auditors should not be also placed on the Register now and why they should be precluded from taking up work in other Provinces if called upon to do so. Government are no doubt aware as to how representatives of the Central Provinces Government brought to their attention the fact that very few qualified Auditors were available in those Provinces. If the restrictions against Auditors with restricted certificates are removed they may try to find work even in such Provinces where no qualified Auditors are available. In this connection, it is interesting to note that an Auditor even with restricted certificate is allowed to take apprentices and that these apprentices when they pass out are given unrestricted certificates, creating thereby the anomalous position of pupils beng granted unrestricted certificates while there is a regular bar against their tutors and ex-masters. Again, the underlying principle of the All India Accountancy Board is, as far as my Committee understand to bring all practising Auditors under its disciplinary jurisdiction. This cannot be done effectively in case an important class of Auditors, viz., Auditors holding restricted certificates, is kept out of the Board's jurisdiction. Public safety requires that all Auditors without any class or distinction be brought within the folds of the proposed Registration. These Auditors with restricted certificates have been in practice as Auditors for a large number of years during which time nothing has been said against them with regard to either their knowledge or honesty, and my

Committee, therefore, submit that this distinction and restriction is not only undesirable but also unfair.

My Committee agree with Government that there should be no distinction between practising and non practising Auditors, either in the Register or in connection with the legibility of an Auditor's certificate.

My Committee also agree with the Memorandum that a firm of Auditors should not be permitted to be enrolled as Auditors, but that individuals should be required to get themselves enrolled as Auditors.

My Committee are strongly of opinion that appointments to the Indian Accountancy Board should not be by nomination but should be by election. So far as Bombay is concerned, it should have six members and not four as proposed and the Central Provinces should not be included in Bombay, but should have a separate representation. With regard to Bombay the representation suggested by my Committee is as follows :—

	Representatives.
The Indian Merchants' Chamber..	1
Bombay Chamber of Commerce..	1
Society of Professional Accountants	2
Nominations by Government	2
Total.. ..	6

The system proposed by Government of having all members nominated by Government is not merely unsatisfactory but against all ideas of democratic institution. The procedure, on the other hand, recommended by my Committee has the advantage of securing representation not only of businessmen but of Auditors and Accountants, as also nominations by Government of their officials or non-officials. With regard to other Provinces the Local Commercial Institutions may be consulted as to how,

they would like elections to the Indian Accountancy Board in their Province regulated.

With regard to Local Boards, my Committee agree that members of the Accountancy Board should be ex-officio members of the Local Boards for their own Provinces. Thus for Bombay there will be six ex-officio members. Over and above that, my Committee propose that one should be elected by the Indian Merchants' Chamber, one by the Bombay Chamber of Commerce, two by the Society of Professional Accountants and two nominated by Government, making up in all, thus, twelve members for the Bombay Local Board.

APPENDIX 98.

SERIOUS ALLEGATIONS AGAINST INDIAN CAPITALISTS AND INDUSTRIALISTS IN GENERAL AND THE TATAS IN PARTICULAR BY MR. VERNON HARTSHORN, M. P.

Bombay, 25th May 1928.

"The following telegram was addressed on the 24th May 1928 by the Committee of the Indian Merchants' Chamber to the Secretary of State for India, London, and the Private Secretary to H. E. the Viceroy, Simla :—

> Committee Indian Merchants' Chamber emphatically protest against the baseless and unwarranted attack made by Mr. Vernon Hartshorn against Indian industrialists generally, and in particular against the Tatas, one of their most respected members, whose activities in connection with the welfare of labour are widely known and appreciated. The Chamber regard it as extremely regrettable that a man occupying such a responsible position as Mr. Hartshorn should make such a flagrant attempt at misleading public

opinion in England with regard to labour conditions in this country, of which he has no knowledge and experience.

H. P. Mody, President."

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dated the 25th May, 1928

Telegram from the Private Secretary to the Viceroy to the President, Indian Merchants' Chamber, BOMBAY.

I have laid your telegram of 24th May before His Excellency who desires me to acknowledge it with thanks.

APPENDIX 99.

NEWS AGENCY SERVICES OF THE GOVERNMENT OF INDIA.

No. 971, dated 19th April 1928.

From Chamber to the Government of India, Home Department, SIMLA.

The attention of my Committee has been drawn to an article appearing in the "Pioneer" under the caption "A Mischievous Monopoly". My Committee will be much obliged if you will be kind enough to inform them as to what are the exact arrangements which exist between the Government of India and the Associated Press or any other news agency with regard to the supply of news. My Committee would also like to know if there are any arrangements with any news agencies for sending copies of telegrams to various officials, and, if so, whether such telegrams are found to be a necessity in these days, when there are so many newspapers, both morning and evening, with a effective service of news. You will also be kind enough to let my Committee know the exact payments made by the different provincial Governments

to the news agencies and the particular service they are expected to render in return for such payment.

No. D.-1196, Simla, the 5th June 1928.

From the Government of India, Home Department (Political) to Chamber,

I am directed to acknowledge the receipt of your letter No. 971, dated the 19th April 1928, asking for certain information regarding the supply of news agency telegrams to Government officials.

2. In reply I am to say that the Central Legislature provides a regular means for eliciting any information regarding matters of general administrative interest that may be required, and that the Government of India will be glad to answer in the Legislature any question on the subject raised in your letter in so far as it is the concern of the Central Government.

No. 1440, dated 20th June 1928.

From Chamber to the Government of India, Home Department (Political), SIMLA.

I am directed to acknowledge receipt of your letter of the 7th June 1928, No. D.-1196.

My Committee are aware that the Central Legislature provides regular means for eliciting any information regarding matters of general administrative interest that may be required. They hope, however, that the Government are also aware that the Central Legislature is in session only twice a year, viz. in February, March and about three weeks in September. Public bodies, however, are working throughout the year and have to deal with all important question of the day as and when they arise. Some of these questions are of so urgent a character that any delay with regard to their disposal would mean a serious

harm to public interests. In the nature of things, therefore, these public bodies, if they are to discharge their responsibilities adequately, cannot wait to get information till the Legislature is in session. There is also another aspect, which must not be lost sight of, which is that several times questions are disallowed on one ground or other, and on several occasions Government refuse to answer questions. The remedy suggested by the Government is, therefore, not at all effective.

Then there is another consideration.

Representatives in the Legislative Assembly are sometimes required to move resolutions on behalf of their constituencies, which may be either public organisations like Chambers of Commerce or general electorates. Some of these public organisations find it necessary to collect information with regard to such resolutions long before the actual session of the Legislature. Under these circumstances, public organisations have to write to Governments, both Imprial and Provincial, for supplying information and if this is denied on ground that interpellations can be put in the Legislature, it creates a position that is highly prejudicial to the public interests.

This new policy of keeping public bodies at arm's length is bound to create misgivings about the intentions of Government, and if pushed to its logical conclusion may effectively shut out the opinions and representations of bodies entitled to be heard on all questions of importance. My Chamber are bound to protest against such a radical departure from the established practice, and they propose to take an early opportunity of raising the issue.

APPENDIX 100.

SUPPLY OF BRITISH OFFICIAL WIRELESS TO THE PRESS IN INDIA.

No. 1883, dated 18th/20th August 1928.

From Chamber to the Government of India, Home Department, SIMLA.

I am directed by the Committee of this Chamber to address you on the subject of the supply of the British Official Wireless to the Press in India.

My Committee understand that the British Official Wireless is broadcast by His Majesty's Government at their cost for "universal dissemination" and that the Government of India intercept them at ther wireless station at Jutogh (near Simla) at their cost and make them available to Reuters news agency for supply to the Indian Press. My Committee further understand that Reuters make payment of only the terminal charges on wireless press telegrams, namely 3½ annas for 10 words and that they make it available to the newspapers in Bombay for an inclusive monthly subscription of Rs. 60 while the newspapers outside Bombay are called upon to pay approximately an additional sum of Rs. 90 per month on account of Indian telegraph charges.

It is further understood that out of approximately 60 daily newspapers in India subscribing to news services, only about 22 subscribe to the British Official Wireless and that not a single vernacular newspaper receives the British Official Wireless. My Committee are of opinion that considering that the object of His Majesty's Government and the Government of India in broadcasting and intercepting the British Official Wireless at considerable expense to the British and the Indian Exchequer is to secure maximum publicity for the British Official Wireless that objects

may be said to be virtually defeated when only one-third of the newspapers in the country receive directly the British Official Wireless. They therefore urge on the Government of India that steps should be taken to make available to the Press in India the British Official Wireless on payment of an inclusive monthly subscription of Rs. 60 per month. It has been explained to my Committee that the Reuter's Agency are enabled to make the British Official Wireless available to the newspapers in Bombay for an inclusive subscription of Rs. 60 per month because they have a distribution office in Bombay and that the Reuter's Agency do not have any distribution offices in India outside Bombay.

My Committee strongly urge that the Reuter's Agency having no distribution offices in India outside Bombay should be no bar to the supply of the British Official Wireless to newspapers outside Bombay for an inclusive monthly subscription of Rs. 60 when there are news agencies besides the Reuters as the Free Press of India and the Associated Press of India which have distribution offices at all the important centres of publication of newspapers as Bombay, Madras, Calcutta, Lahore. Delhi and Rangoon. My Committee have also been assured that an offer has already been made by the Free Press of India news agency undertaking to supply the British Official Wireless to all newspapers at Bombay, Madras, Calcutta, Lahore, Delhi and Simla, for an inclusive monthly subscription of Rs. 60 irrespective of the fact whether these newspapers are subscribers or not to the Free Press services, and also to make payment to the Government of their share of the charges now paid by Reuters. My Committee request to be informed whether the Free Press of India news agency have made any such offer, and if so, whether the Government of India propose to accept the offer. In the opinion of my Committee, it is highly undesirable to make it obligatory on newspapers outside Bombay to incur an expenditure of approximately Rs. 150 per month on account of the British Official Wireless when the Government of India can without any loss in revenue or efficiency make them available to the newspapers both in Bombay and outside for an inclusive monthly subscription of Rs. 60

through the agency of the Free Press of India or any like organisation.

My Committee are of opinion that the British Official Wireless should be made available to all news agencies which undertake to supply the same to newpapers in their territory irrespective of the fact whether they are customers or not for an inclusive monthly subsription of Rs. 60 and pay to Government their share of the charges now entirely borne by the Reuters agency. They are convinced that if the suggestion made herein is adopted nearly all the 60 daily newspapers in India which subscribe to any kind of news service can be expected to subscribe to the British Official Wireless.

Unless the Government of India propose to take effective steps to secure maximum publicity to the British Official Wireless in the Press in India at an economical cost the Committee of the Chamber are of opinion that the incurring of public expenditure on the part of the Government of Indiain intercepting the British Official Wireless would be ill-advised and would recommend that the Government of India discountinue forthwith the interception of the British Official Wireless and throw it open to private individuals and corporations to intercept the British Official Wireless in conformity with such rules and regulations the Government of India may deem fit to frame. My Committee are informed that the Indian Radio Telegraph Company have already expressed a desire of intercepting the British Official Wireless and supply the same to the Press on a satisfactory commercial basis.

My Committee trust that the Government of India will be pleased to give sympathetic consideration to the proposals made in this representation in the best interests of the Press and the public.

No. D. 3632, dated New Delhi, the 13th November 1928.

From the Government of India, Home Department, (Political), to Chamber.

I am directed to refer to your letter No. 1883, dated the 18th August 1928, regarding the supply of the British Official Wireless to the Press in India. The delay in reply to that letter has arisen from the fact that the Government of India on receiving it decided to review once more the arrangements for the distribution of the British Official Wireless. The position is that the Government of India are responsible for distributing the Brtish Official Wireless to the best advantge. Since the introduction of the service it has been distributed to the Press through the agency of Reuters. As far as the Government of India were aware, this system had been working without complaint; but last year the Free Press of India suggested that alternative arrangements should be made. The Government of India did not approve of attempting to distribute the Service through more thn one agency, as they considered it to be a matter of importance to secure uniformity of distribution; but in view of the suggestions contained in your letter, they have examined carefully in consultation with Reuter's Agency whether it would not be possible to increase the existing number of subscribers by reducing the charges. Reuter's Agency accordingly circularised all the 60 daily newspapers referred to in your letter and offered them the Service, as suggested by the Chamber at Rs. 60 per mensem. The response was not sufficiently large to enble the Service to be supplied without loss at Rs. 60 per mensem to all subscribers in India; but it has enabled Reuter's Agency to arrange for the supply of the British Official Wireless at Rs. 60 per mensem, which is the present fixed rate for Bombay, to all subscribers at the following additional centres :-

Calcutta, Madras, Karachi, Lahore and Delhi. The question of extending this arrangement to Rangoon and Allahabad is under consideration. The Government of India trust you will agree that these arrangements, which it is hoped will enable

nearly all the principal papers in India to obtain the Service at Rs. 60 per-mensem, are satisfactory.

APPENDIX 101.

BILL TO DEFINE THE LIMITS OF THE ORDINARY ORIGINAL CIVIL JURISDICTION OF THE HIGH COURT OF BOMBAY.

No. 4955-B., Bombay Castle, 10th February 1928.

From the Government of Bombay, Home Department, to Chamber.

I am directed by the Governor in Council to enclose *copies of a letter from the High Court, Bombay, No. 662, dated the 5th July 1927 and its accompaniments, regarding fixing local limits of the ordinary Civil Jurisdiction of the High Court, Bombay, and to request that you will be so good as to favour Government with the opinion of the Indian Merchants' Chamber in the matter.

2. The plans referred to in the correspondence are not sent.

No. 989, dated 20th April, 1928.

From Chamber to the Government of Bombay, Home Department, BOMBAY.

With reference to your letter No. 4955-B., dated the 10th February 1928, I am directed to inform you that my Committee approve of the provisions of a Bill to declare and prescribe the limits of the ordinary original civil jurisdiction of the High Court of Judicature at Bombay.

*Not printed Vide File No. R. 4 of 1928.

APPENDIX 102.

BILL TO AMEND THE INDIAN PENAL CODE BY MR. N. M. JOSHI.

No. 3629/2-B., Bombay Castle, 19th May 1928.

From the Government of Bombay, Home Department to Chamber.

I am directed by the Governor in Council to forward herewith a copy of a letter from the Government of India, Legislative Department, No. F.-111-I./27-A., dated the 4th April 1928, and of its accompaniments regarding the Indian Penal Code (Amend ment) Bill by Mr. N. M. Joshi, and to request that you will be so good as to favour Government with the views of the Indian Merchants' Chamber, Bombay, in the matter.

2. I am to request that a reply to this letter may be sent so as to reach this Government not latter than the 15th June 1928.

No. F.-111-I./27/A.

Government of India, Lagislative Department.

From

L. Graham, Esquire, C.I.E., I.C.S., Bar-at-law,
Secretary to the Government of India,
Legislative Department.

To

The Secretary to the Government of Bombay,
Legal Department.

New Delhi, the 4th April 1928.

SUBJECT.—The Indian Penal Code (Amendment) Bill by Mr. N. M. Joshi.

Sir,

With reference to the Debates of the Legislative Assembly of the 22nd March 1928, I am directed to forward herewith copies of the papers noted on the margin and to request that the the Governor in Council will favour the Government of India in this Department with an expression of opinion on the provisions of the Bill, and with the opinions of the Honourable the Judges of the High Court and of such selected officers and other persons as the Governor in Council may think fit to consult on the subject.

1. The Indian Penal Code (Amendment) Bill with Statement of Objects and Reasons by Mr. M. N. Joshi.
2. Extract from Legislative Assembly debates dated 22nd March 1928 regarding the Bill.

2. I am also to request that the Bill and Statement may be published in the Bombay Government Gazette in English and in such other languages as the Governor in Council may deem proper, and that the dates of such publication may be communicated in your reply.

3. The reply to this letter should be sent in by the 1st July 1928.

I have the honour to be,
Sir,
Your Obedient servant

L. Graham,
Secretary to the Government of India.

A Bill Further to amend the Indian Penal Code.

Whereas it is necessary to legalise Trade Unions;

And whereas it is expedient to protect the members and office bearers of such Trade Unions from criminal liability under section 120B of the Indian Penal Code;

And whereas it is necessary to protect from criminal liability any two or more persons acting together to do any act in contemplation of furtherance of a trade dispute or in restraint of trade;

And whereas it is expedient further to amend the Indian Penal Code for the purposes hereinbefore appearing;

It is hereby enacted as follows:—

1. This Act may be called the Indian Penal Code (Amend-
Short title. ment) Act, 192 .

2. To section 43 of the Indian Penal Code the following
Amendment of section 43, Act XLV of 1860. proviso shall be added, namely:—

"Provided that nothing is illegal if done or procured to be done by two or more persons in contemplation or furtherance of a trade dispute or in restraint of trade, unless it be an offence when committed by one person."

STATEMENT OF OBJECTS AND REASONS.

1. Trade Unions are now organised all the world over as a legitimate method of protecting and furthering the cause of labour. The Trade Unions Act of 1926 is only an instance of the recognition of this principle in India, though only to a limited extent. The said Act, however, protects only such of the Trade Unions, their members and office-bearers as are "registered" under the said Act. It affords no protection to Trade Unions which are not registered.

2. In the infant state of the Trade Union movement in India and even afterwards some Trade Unions may not get themselves registered under the Act. It is, however, absolutely necessary to protect the members and office-bearers of such Trade Unions from the criminal liability for their acts done in comtemplation or furtherance of a trade dispute or in restraint of trade. More

over, under the present unorganised condition of labour in India there will be many cases when two or more persons may combine themselves without forming a Trade Union in furtherance or for the protection of the interests of labour. The actions of such persons also require to be protected from the consequence of section 120B of the Indian Penal Code.

3. Under the existing criminal law, as contained in section 120 B of the Indian Penal Code, an agreement between two or more persons to do an illegal act is an offence. The word illegal as defined in section 43 of the Indian Penal Code includes inter alia anything which affords a ground for civil action. And an act done by two or more persons in contemplation or furtherance of a trade dispute or in restraint of trade may afford a ground for civil action and thereby would be "illegal" and would come under the criminal conspiracy as defined in section 120B of the Indian Penal Code. Such an act was not considered to be and offence before the Indian Penal Code was amended in 1913. Further, such an act is not an offence under the English law. It is true that under section 196A of the Criminal Procedure Code the previous complaint or authority from the Governor General in Council, the Local Government or some officer empowered by the Governor General in Council is necessary to start the prosecution. But it cannot be denied that under some circumstances it may become difficult for the authorities giving sanction for prosecution to resist the pressure brought to bear upon them by influential employers. Moreover, in this country Government themselves are large employers of labour.

4. It is, therefore, necessary for the protection of the members and office-bearers of unregistered Trade Unions and unorganised workers to amend the existing criminal law and to bring it into line with the English law and with the Indian Criminal Law as it stood before 1913.

5. This object is sought to be achieved by modifying the definition of the term "illegal" by adding a proviso to it at the end of section 43 of the Indian Penal Code as given in clause 2 of the Bill.

The 30th January, 1927. N. M. JOSHI.

No. 1408, dated 18th June 1928.

From Chamber to the Government of Bombay, Home Department, BOMBAY.

I am directed to acknowledge receipt of your letter No. 3629-2-B., dated 9th May 1928, and to submit the views of my Committee as under :—

My Committee are strongly opposed to the proposed measure. The Mover of the Bill seeks to draw an analogy from the English Bill in support of his measure, but my Committee would like to point out that in England the conditions are entirely different. There, an overwhelming majority of the workers belong to various recognised Trade Unions, and the point that the Mover of the Bill attempts to make hardly arises in England. Practically all the trade disputes there are dealt with by recognised Trade Unions. Things are very different in India. A very small percentage of workers takes interest in the Trade Union movement which received legal recognition in 1926. Certain well-defined concessions were given to recognised Trade Unions by the Act then passed in order to encourage a healthy trade union movement. To extend these concessions to a body of men who are not organised at all, or who belong to trade unions which are not duly registered, would be to defeat, in a measure, the purposes underlying the Trade Union Act, and my Committee, therefore, oppose the Bill under reference on that account.

APPENDIX 103.

BILL TO AMEND THE INDIAN LIMITATION ACT.

No. 3628/2-B., Bombay Castle, 18th May 1928.

From the Government of Bombay, Home Department, to Chamber.

SUBJECT.—**Bill.—Indian Limitation Act.** Amendment of—(Suit by a ward to set aside a transfer of property by his guardian : period of limitation.) (Mr. N. C. Kelkar).

I am directed by the Governor in Council to forward herewith a copy of letter from the Government of India in the Legislative Department No. F.-136 III/27-A, dated the 4th April, 1928 and of its accompaniments regarding the Indian Limitation (Amendment,) Bill by Mr. N. C. Kelkar and to request that you will be so good as to favour Government with the views of the Indian Merchants' Chamber in the matter.

2. I am to request that a reply to this letter may be sent so as to reach this Government not later than the 15th June, 1928.

No. F-136-III/27-A.

GOVERNMENT OF INDIA, LEGISLATIVE DEPARTMENT.

FROM

L. GRAHAM, ESQUIRE, C.I.E., I.C.S., Bar-at-Law,
Secretary to the Government of India,
Legislative Department.,

To

THE SECRETARY to the Governmet of Bombay.,
Legal Department.

New Delhi, the 4th April, 1928.

SUBJECT.—The Indian Limitation (Amendment) Bill by Mr. N. C. Kelkar.

SIR,

With reference to the Debates of the Legislative Assembly of the 26th March 1928, I am directed to forward herewith copies of the papers noted on the margin and to request that the Governor in Council will favour the Government of India in this Department with an expression of his opinion on the provisions of the Bill, and with the opinions of the Honourable the Judges of the High Court and of such selected officers and other persons as the Governor in Council may think fit to consult on the subject.

1. The Indian Limitation (Amendment) Bill with Statement of Objects and Reasons by Mr. N. C. Kelkar.
2. Extract from Legislative Assembly Debates dated 26th March 1928 regarding the Bill.

2. I am also to request that the Bill and Statement may be published in the Bombay Government Gazette in English and in such other languages as the Governor in Council may deem

proper, and that the dates of such publication may be communicated in your reply.

3. The reply to this letter should be sent in by the 15th July 1928.

I have the honour to be,

Sir,

Your most obedient servant,

(Sd.) L. GRAHAM,

Secretary to the Government of India.

A

BILL

Further to amend the Indian Limitation Act, 1908, for a certain purpose.

Whereas it is expedient further to amend the Indian Limitation Act, 1908, for a certain purpose; It is hereby enacted as follows :—

1. (1) This Act may be called the Indian Limitation (Amendment) Act, 192 .

Short title and extent.

(2) It extends to the whole of British India.

2. In the First Schedule to the Limitation Act, 1908,—

Amendment of Schedule I to Act IX of 1908.

(1) Article No. 44 shall be omitted; and

(2) After Article No. 126, the following article shall be inserted, namely,

---

Description of suit.	Period of limitation.	Time from which period begins to run.
"126 A.— By a ward who has attained majority to set aside a transfer of property by his guardian.	Twelve years.	When the alience takes possession of the property."

STATEMENT OF OBJECTS AND REASONS.

Article 44 of the Indian Limitation Act, 1908, provides a three years' period of limitation for a ward to seek to set aside a transfer of property made by his guardian, and the period begins to run from the time the ward attains majority. It has been held by the Law Courts that this Article governs the case of the cancellation of transfer of property by a mother as guardian. On the other hand, Article 126 provides a limitation period of twelve years for a Hindu, governed by the law of Mitakshara, to set aside his father's alienation of ancestral property, the limitation period beginning to run from the time the alienee takes possession of the property. But it will be seen that in both the cases, the limitation period should be the same. Indeed it will often be found that transactions of transfer of property made by mothers are more imprudent than those made by fathers. At any rate in the case of mothers, there is greater opportunity for transfers of property being the result of fraud, misrepresentation, imprudence and ignorance. Consequently wards would be entitled to get the benefit of at least as large a period of limitation in this case, as in the case of transfers by their fathers. The reasoning, I think, applies equally to all the communities, and it would be quite an appropriate provision from the point of view of minor's interests, to fix a uniform period of limitation in all such cases, namely, a period of twelve years. The proposed deletion of Article 44 and the enactment of the new Article 126A will, I think, meet the needs of the case.

N. C. KELKAR,
M. L. A.

The 4th December, 1927.

No. 1410, dated 18th June 1928.

From Chamber to the Government of Bombay, Home Department, BOMBAY.

I am directed to acknowledge receipt of your letter No. 3628/2-B., dated 18th May 1928, and to submit the views of my Committee as under:—

My Committee, after careful consideration, have come to the conclusion that it is not advisable to amend the Act as proposed. The analogy drawn by the mover between Article 44 and Article 126 of the Limitation Act is not quite exact. It is also doubtful if the proposed amendment would be to the benefit of a ward for whom it is provided. Under the existing law a minor can within three years of his attaining majority sue for setting aside a transaction entered into by his guardian. If the law is amended as proposed and a person has to set aside a transaction entered into by his guardian within twelve years of the taking of possession by the alienee, it may well happen that the period of limitation might expire before even the minor attains his majority. It is difficult, therefore, to see how the proposed amendment can benefit minors.

APPENDIX 104.

TRANSFER OF IMPROVEMENT TRUSTS ACTIVITIES TO THE BOMBAY MUNICIPALITY.

No. 512-5141, A, Bombay Castle, 25th May 1928.

From the Government of Bombay, General Department to Chamber.

SUBJECT.—Transfer of the activities of the Improvement Trust to the Bombay Municipality.

I am directed by the Government of Bombay (Transferred Departments) to forward herewith a copy* of a letter from the

*Not Printed. Vide File No, R 46 of 1928.

President, Municipal Corporation, Bombay, No. 14489, dated the 30th March 1928, and to request that you will be so good as to favour Government, at an early date, with the remarks of your Chamber on the Corporation's proposal.

No. 1552, dated 5th July 1928.

From Chamber to the Government of Bombay, General Department, BOMBAY,

I am directed to submit as under the views of my Committee regarding the above question, referred to in your letter of the 25th May 1928, No. 512-5141-A.

My Committee have carefully considered the representation addressed to Government by the President of the Bombay Municipal Corporation dated the 30th March 1928, No. 14489. They fully appreciate the case prepared by the Bombay Municipality regarding the transfer of the activities of the Improvement Trust. Government cannot be unaware of the fact that the original Bill prepared in this connection had fully embodied provisions calculated to meet with the wishes of the Bombay Municipal Corporation. Unfortunately, there were several modifications made in the Bill afterwards, and it is to them that the failure of the Act may be said to be due. My Committee would like to emphasise the fundamental principle that there should be only one local self-governing authority in a City like Bombay. The existence of a separate institution such as the Improvement Trust is a distinct anomaly. The object of the Improvement Trust Transfer Act was to transfer the sole control to the Bombay Municipal Corporation, and if this object has not been achieved in the practical working of the Act, Government should take the necessary steps to vest the Bombay Municipal Corporation with complete control over the Improvement Trust. It is a contention of the Bombay Municipal Corporation that the control is at present inadequate in many respects, and they ask for a complete transfer of the activities of the Trust. My Committee agree

with this view and are further of opinion that for economic and administrative reasons also a complete transfer should be brought about. They hope that under the circumstances Government will see their way to comply with the request of the Bombay Municipal Corporation.

APPENDIX 105.

APPOINTMENT OF AN INDIAN AS AGENT GENERAL TO THE GOVERNMENT OF INDIA IN SOUTH AFRICA IN PLACE OF THE RT. HON'BLE SHRINIVAS SASTRI.

No. 2078, dated 14th September 1928.

From Chamber to the Government of India, Department of Education, Health and Lands, SIMLA.

The Committee of this Chamber have seen recently from the Press that the Rt. Hon. Shrinivasa Sastri, Agent General o Government of India in South Africa will shortly retire and return to India. I am directed by my Committee in this connection to request Government to be pleased to appoint an Indian commanding popular confidence in place of the Rt. Hon. Sastri, when he retires.

It is hoped that Government will be pleased to accept this suggestion in the best interests of the Indian community residing in South Africa.

No. 816-OS., Simla, the 24th September 1928.

From the Government of India, Department of Education, Health and Lands, to Chamber.

I am directed to acknowledge the receipt of your letter No. 2078, dated the 14th September, 1928 and to say that the matter is engaging the attention of the Government of India.

APPENDIX 106.

APPOINTMENT OF THE ASSISTANT ACCOUNTANT UNDER THE PORT COMMISSIONERS OF CALCUTTA (VIDE APPENDIX 114 PAGE 632 OF CHAMBER'S REPORT FOR 1927).

No. 594, dated 29th February, 1928.

1st March.

From Chamber to the Government of India, Department of Commerce, NEW DELHI.

I am directed by the Committee of this Chamber to invite the attention of the Government to the correspondence ending with this office letter No. G.-2349, dated the 19th October 1927, regarding above, to which so far no reply has been received except an acknowledgment. The Government in their letter No. 812-S.(3), dated the 22nd September 1927, were pleased to observe "that under Section 34 of the Calcutta Port Act, 1890 the appointment to posts carrying a monthly salary of less than Rs. 1,000 does not require the previous sanction of the Government."

While reiterating the point emphasised in my previous letter that "this question is concerned with a matter of principle and the fact that the post caries less than Rs. 1,000 salary should not incline the Government of India to refuse to consider it," my Committee desire to emphasise to the Government the fact that subsequently the Chairman of the Calcutta Port Trust recommended a rise in the scale of the salary for the post from Rs. 750—50—1,000 to Rs. 1,000—50—1,250 per mensem which recommendation was accepted by majority of the Caltutta Port Commissioners. The matter, from that point of view, therefore, ceases to be the domestic concern of the Calcutta Port

Commissioners, as they will have to obtain the sanction of the Government for the appointment of Mr. J. A. Mair to the post under reference. My Committee understand that the Calcutta Port Commissioners had received an application from one Indian gentleman possessing higher qualifications and in addition had longer and more useful experience than Mr. Mair, but owing to the majority of non-Indian members in the Calcutta Port Trust, Mr. Mair was elected for the post. They are sorry to observe that inspite of the promise given by the Government in accepting the Honourable Sir Phiroze Sethna's resolution in the Council of State in January 1922, regarding the Indianisation of higher grade services of the Port Trusts, the Calcutta Port Trust has adopted in the case under reference a highly unfair and unjust policy of shutting out Indians from getting the post.

My Committee believe that the time has now arrived when the Government should give effect to their promises regarding the Indianisation of higher and superior services of all the Government departments, the Port Trust, etc. In this connection, they would like to point out that particularly with regard to the Accounts and Audit profession, there are Indians possessing even very high qualifications and wide experience who can deservedly—apart from the nationality—be appointed to such posts.

In view of the fact that the matter is now within the jurisdiction of the Government, my Committee would respectfully urge that Government should withhold sanction to the appointment of a European in the post of an Assistant Accountant carrying a salary of Rs. 1,000—50—1,250 under the Calcutta Port Trust as recommended by the majority of the Board of the Calcutta Port Trust, inspite of the unanimous opposition of the Indian Trustees. They further request the Government to impress upon the Calcutta Port Trust the urgent necessity of appointing an Indian candidate having suitable qualifications and experience in the line.

In this connection, my Committee will be much obliged if Government will be pleased to inform them whether there are any rules in the United Kingdom laying down that only Chartered Accountants or Accountants possessing particular qualifications should be appointed in the Accounts and Audit Departments of the Government and the public bodies like the Municipalities, Port Trusts, etc., there.

In conclusion, my Committee express the hope that Government will be pleased to consider this question favourably and redress one of the longstanding and legitimate grievances of the Indians.

No. 812-S.(3), New Delhi, the 10th March 1928.

From the Government of India, Department of Commerce to Chamber.

I am directed to acknowledge the receipt of your letter No. 594, dated the 29th February 1928, regarding the proposed appointment of Assistant Accountant under the Port Commissioners, Calcutta, and to say that the matter is at present under the consideration of the Government of India in consultation with the Government of Bengal.

2. With regard to the request contained in the penultimate para of your letter, I am to say that the Government of India are not in possession of the information asked for.

APPENDIX 107.

APPOINTMENT OF AN INDIAN AS CONSULTING ARCHITECT AND SURVEYOR TO THE GOVERNMENT OF BOMBAY.

No. 813, dated 23rd March 1928.

From Chamber to the Government of Bombay, General Department, BOMBAY.

I am directed by the Committee of this Chamber to write to the Government on above as follows :—

The attention of my Committee is drawn to the policy of the Government of Bombay with regard to the post of the Consulting Architect and Surveyor, which, they are informed, is kept as a close preserve for the non-Indians.

My Committee beg to point out that there are capable and qualified Indians in this country who can be deservedly entrusted with the duties of a Consulting Architect and Surveyor to the Government. It is sad to note that when, sometime back an opportunity arose to put in practice the oft-repeated assurances of the Government to Indianise their higher and superior services whenever opportunities occurred, the Government instead of fulfilling the same appointed a non-Indian as their Consulting Architect and Surveyor.

I am directed by my Committee to urge this point on the attention of the Government and request that they be pleased to appoint an Indian possessing requisite qualifications only as their Consulting Architect and Surveyor, when the next occasion arises.

No. 6059-E., Public Works Office, Bombay Castle, 15th May 1928.

From the Government of Bombay, Public Works Department, to Chamber.

With reference to your letter No. 813, dated the 23rd March, 1928 on the above subject, I am directed by the Government of Bombay (Transferred Departments) to state that as a qualified and suitable officer who had already officiated as Consulting Architect with success, was available in the ranks of the Assistant Architects already in service, it was held only proper that he should be appointed to the vacant post of Consulting Architect. By this means not only were the services of an officer with excellent qualifications and experience of the duties secured, but considerable economy was effected as the recruitment of a Junior Assistant Architect only became necessary instead of the recruitment of an officer on a salary suitable for the head of the Architectural Branch.

2. Regarding paragraph 2 of your letter I am directed to point out that in 1920 there were 9 European Officers in the Consulting Architect's office. At present there are only two such officers, the remaining officers being Indians.

3. I am further to remark that your Committee have been misinformed as to the policy of the Government of Bombay. The post of Consulting Architect (there is no such post as that of Consulting Architect and Surveyor) is not, as your Committee have been informed, kept as a close preserve for non-Indian Officers, and in the case under reference in this correspondence the question of the officer's country of origin did not enter into consideration, but the best qualified and most suitable officer available was selected, as will be done in future cases of such appointments.

APPENDIX 108.

INDIANISATION OF THE ENGINEERING SERVICE OF THE BOMBAY PORT TRUST. (VIDE CHAMBER'S REPORT FOR 1927 pp. 163—184.)

No. G. 3008, dated 9th December 1927.

From Chamber to the Secretary, Bombay Port Trust, BOMBAY.

I am directed by my Committee to ackowledge receipt of your letter No. 4586 of the 7th November, 1927 and also of your letter No. 4455 of the 28th October addressed to Mr. Lakhmidas Rowjee Tairsee. My Committee note from one of the statements enclosed in your letter to Mr. Tairsee dated the 22nd March that during the last six years out of the 38 new posts and vacancies carrying a minimum pay of Rs. 500 and over filled by direct recruitment, only 3 were filled by Indians and 35 were filled by Europeans. They now observe from your letter to Mr. Tairsee dated the 28th October that Indians with technical qualifications and special experience are not available for the higher graded posts in the service of the Port Trust, especially in the Port Department and for the posts of Drivers, Shipwrights, etc. In view of the policy of Indianising the higher services of the Port Trust in India accepted by the Government six years ago and in view of the recognition of that principle by your Trustees, my Committee will be obliged if you will be good enough to let them know the steps that the Board of Trustees have taken or proposed to take for enabling Indians to obtain the technical qualifications and the necessary experience required for the higher posts in the services of the Port Trust. My Committee further venture to think that no special technical qualifications are required for such Departments, as for instance the Stores Department and the Traffic Department and they therefore trust that the pace of Indianisation in such Departments will be more marked in the near future than it has been in the past.

My Committee will be further obliged if you will supply them with a statement setting forth as fully as possible the nature

of the techenical qualifications and special experience required by the Trustees for the posts in the higher services in different departments. My Committee venture to suggest that if the Board of Trustees were to prepare a statement of the qualifications and experience required for higher posts in the different services of the Port and issue to the Press and the educational institutions, it will give much useful and valuable information to youngmen in determining their career in life.

No. 871, Bombay 2nd March 1928.

From the Bombay Port Trust, to Chamber.

With reference to your letter No. G.3008, dated 9th December 1927, I am directed in the first place to point out that it contains two small discrepancies which it is advisable to correct, *i.e*, (1) out of the 38 new posts referred to (34 of which were in the Engineering and Port Departments), 34 were filled by Europeans, 3 by Indians, and 1 by an Anglo-Indian; (2) the remark that Indians with the necessary qualifications and experience are not at present available was made with reference to certain special appointments in the Engineering, Port and Pilotage departments, and not, as might be inferred from your letter, to the higher graded posts in the service generally.

2. With reference to your enquiry as to the steps taken or proposed to be taken by the Port Trust to enable Indians to obtain the necessary technical qualifications and experience for the special appointments referred to, I am to say that, as regards the Port and Pilotage Department, this question has already been dealt with in my letter to you No. 4826 dated 23rd November 1927 and is still under correspondence with you.

3. As regards the Engineering Department the following steps have been taken to train Indians to qualify for the higher technical posts :—

(a) A system of recruitment of Indian Engineers was started in 1920 with a view to training them for suit-

able posts in the Civil Engineering Branch of this Department and there are now 19 Indian Engineers on the staff in the following capacities :—

1 Senior Assistant Engineer,

2 Junior Assistant Engineers,

16 Sub-Engineers, Surveyors and Supervisors.

It may be mentioned that a vacancy of a Senior Assistant Engineer (Rs. 600—50—1,300) was filled in October 1927 by the promotion of an Indian Junior Assistant Engineer who had received all his techinical experience with the Port Trust.

As regards the general question of training Indians in the Chief Engineer's Department, it may be noted that

(1) There are now 17 Indian Officers in the Dredging Fleet holding 1st Class Masters Certificates under the Indian Steam Vessels' Act, all of whom were trained and obtained their certificates in this Department; whereas in 1914 there were only two officers in this Department who were fully qualified as 1st Class Masters or held a Home Trade Certificate.

(2) The diving work which was formerly done by Chinese and Manila divers is now mostly done by Indian divers, nine of whom have been trained in the use of full diving dress by the European Foremen Divers during the last 7 years.

(3) Facilities have since 1923 been provided for training Indian and Anglo-Indian lads in the various branches of mechanical engineering in the Port Trust Workshops. There are at present 20 apprentices in training at a cost to the Port Trust in wages of some Rs. 900 a month.

4. As regards the pace of Indianization in the non-technical Departments, I am to invite reference to the attached lists

of appointments on a schedule maximum pay of Rs. 500 per mensem or over. You will observe that the figures are as follows :—

	Europeans.	Indians.	Anglo-Indians.
Secretary's, Chief Accountants Stores, Land and Bunders, Railway and Docks Departments.	14	8	17
Port Department (Dock Masters, Pilots, Berthing Masters).	31	..	1
Engineering Department ..	32	20	20

In 1914 the number of Indians ingrades carrying a maximum of Rs. 500 or over was only five. It may be pointed out that during the past few years vacancies in such senior appointments as Deputy Accountant (maximum Rs. 1,450), Deputy Secretary (maximum Rs. 900) and Land Valuer (maximum Rs. 800) have been filled by the appointment of Indians.

5. As regards qualifications and experience required for certain appointments in the Engineering Department of the Trust, I am to invite your attention to the attached statement prepared by the Chief Engineer. This statement does not include the more senior posts in the Department, i.e., Executive Engineers, Mechanical Superintendent and Deputy and Chief Engineers, but it may be assumed that in respect to these posts the technical qualifications and administrative experience required are correspondingly wider. You are correct in assuming that no special technical qualifications are necessary in the case of the Docks and Stores Departments but previous administrative experience is of course very desirable and,—in fact,—essential to efficiency in respect to the higher posts in both Departments. It would not be a practical proposition to detail in statement form the qualifications and experience required for all the higher

graded appointments in the Trust, since it is obvious that in the higher non-technical posts, if it were necessary to make a selection from outside the present staff,—the chief consideration would be education, general training and experience , and personal suitability. Generally speaking, previous experience would in most cases be the main determining factor and a statement such as you propose would therefore be of little value to the educational institutions.

It is hoped that the particulars furnished herewith will meet your purpose.

Statement showing appointments of the Chief Engineer's Department whose Scheduled maximum pay is Rs. 500 and over with their nationality of the present holders of the posts. (excluding those of the Chief Engineers' and Port Departments.)

No.	Appointment.	Grade.	Nationality.		
			European.	AngloIndian.	Indian.
1	Deputy Chairman	Rs. 2,000—100—2,500 Rs. 250 P. Pay Rs. 100 C.A.	European		
	SECRETARY'S DEPARTMENT.				
2	Secretary	1,400—75—1,700 .	European		
3	Dy. Secretary	700—50—900. .	..	..	Indian.
	CHIEF ACCOUNTANT'S DEPARTMENT.				
4	Chief Accountant	1,800—100—2,300 .	..	Anglo-Indian.	
5	Dy. Accountant	1,000—75—1,450 .	..	..	Indian.
6	Ditto	1,000—75—1,450 .	European		

No.	Appointment.	Grade.	Nationality.		
			European.	Anglo-Indian.	Indian.
7	Asstt. Acctt. (Gel.)	Rs. 600—40—800. .	..	Anglo Indian.	
8	Asstt. Acctt. (Loan.)	600—40—800. .	..	Anglo-Indian.	
9	Asstt. Acctt. (Revenue Audit.) . .	650—40—860. .	..	Anglo Indian.	
10	Jr. Asstt. Acctt. (Outside Audit) .	375—25—500. .	..	Anglo-Indian.	
11	Jr. Asstt. Acctt.(Rly. Audit) . .	375—25—500. .	..	Anglo Indian.	
12	Cashier	375—25—500. .	..	..	Indian.
	STORES DEPARTMENT.				
13	Controller of Stores	1,300—75—1,600 .	European		
14	Asst. Controller of Stores . . .	600—40—800 .	European		
15	Asst. Controller of Stores . . .	400—40—600 .	..	Anglo Indian	

	LAND AND BUNDERS DEPARTMENT.	Rs.			
16	Manager, Land & Bunders . .	1,150—75—1,750 .	European		
17	Dy. Manager, Land & Bunders . .	800—50—1,100 .	..	Anglo-Indian	
18	Ist. Gr. Asstt. Manager . . .	650—40—750. plus 100 C.A. .	..	Anglo Indian	
19	Personal Asstt.	350—30—500 .	..	..	Indian.
20	Land Valuer	400—40—800 .	..	..	Indian.
		Brought forward .	6	7	7
21	Surveyor	300—25—550 .	..	..	Indian.
22	Asstt. Manager, 2nd grade (S.D.) .	375—25—500 .	European		
23	Ditto.	375—25—500 .	..	Anglo-Indian	
	RAILWAY DEPARTMENT.				
24	Railway Manager	2,000—100—2,500 . Personal to Mr. Reynolds.	European		
25	Dy. Railway Manager . . .	1,150—75—1,750 . Personal to Mr. Mearns.	European		

No.	Appointment.	Grand.	Nationality.		
			European	Anglo Indian.	Indian
		Rs.			
26	Ditto.	1,150—75—1,750 . Personal to Mr. Lilley.	European		
27	Ditto.	1,150—75—1,750 . Personal to Mr. Watts.		Anglo-Indian.	
28	Asstt. Manager	550—50—1,200 . Personal to Mr. Shaw.	European		
29	Ditto.	550—50—1,250 . Personal to Mr. Gaydon.	European		
30	Asstt. Traffic Superintendent . .	500—50—700 .	..	Anglo-Indian	

	DOCKS DEPARTMENT.	Rs.			
31	Docks Manager	1,800—100—2,300 .	European.		
32	Dy. Dock Manager	1,000—75—1,450 .	European.		
33	Ditto	Ditto — .		Anglo-Indian.	
34	Ditto	Ditto . .	European.		
35	Ditto (Office) . . .	750—50—1,000 plus 100 Special pay.	..	Anglo Indian.	
36	1st Gr. Asst. Manager . . .	500—40—740. .	..	Anglo Indian.	
37	Ditto	Ditto . .	..	Anglo-Indian.	
38	Ditto	Ditto . .	..	Anglo-Indian.	
39	Ditto	Ditto .	..	Anglo-Indian.	
40	Ditto	Ditto . .	..	Anglo-Indian.	
		Total . .	15	17	8

1Proceeding on leave in April 1928 prior to retirement.
2 Services lent to Indian Railways Conference Association.

Statement showing appointments of the Port Department whose Scheduled maximum pay is Rs. 500 and over with their nationality of the present holders o the posts

No.	Appointment.	Grade.	Nationality.		
			European.	Anglo-Indian.	Indian.
	PORT DEPARTMENT.				
1	Port Officer (appointed by Govt.) .	Rs. Gr. Pay 900 Staff . 870 Comp. Allce. 150	European.		
2	Asst. Port Officer (appointed by Govt.)	Gr. Pay . 800 Staff Pay 370 Comp. Allce. 135	,,		
3	Harbour Master	1,400—50—1,500 . (with free qrs.).	,,		
4	Port Department Inspector . .	600—25—700 .	,,		
5	Dock Master, Prince's Dock . .	1,250—50—1,350 . (with free qrs.).	,,		
6	Ditto	ditto.	,,		

7	Asstt. Dock Master P. Dock . .	500—25—550 (with free qrs.).	,,		
8	Ditto	ditto.	,,		
9	Senior Dock Master A. Dock .	1,400—50—1,500 (with free qrs.).	,,		
10	Dock Master A. Dock . . .	12,50—50—1,350 (with free qrs.).	,,		
11	Sr. Asstt. Dock Master . . .	600—25—700 (with free qrs.).	,,		
12	Assistant Dock Master . . .	500—25—550 (with free qrs.).	,,		
13	Master Pilot	750—30—1,230 .	,,		
14	Ditto	ditto.	,,		
15	Pilot	ditto. . .	,,		
16	,, ...	ditto . .	,,		
17	,, ...	ditto . .	,,		
18	,, ...	ditto . .	,,		

No.	Appointment.	Grade.	Nationality.		
			European.	Anglo-Indian.	Indian.
		Rs.			
19	,,	ditto	,,		
20	,,	ditto	,,		
21	,,	ditto	,,		
22	,,	ditto	,,		
23	,,	ditto	,,		
24	,,	ditto	,,		
25	,,	ditto	,,		
26	Pilot	750—30—1,230	European		
27	,,	ditto	,,		
28	,,	ditto	,,		
29	European Lightkeeper	350—15—500	,,		
30	Ditto	ditto (with free qrs.)	,,		
31	Ditto	ditto	,,		
32	Engineer S. T. "Rose"	400—20—500	..	Anglo-Indian.	
			31	1	

Statement showing appointments of the Port Department whose Scheduled maximum pay is Rs. 500 and over with their nationality of the present holders of the posts.

No.	Appointment.	Grade.	Nationality.		
			European.	Anglo-Indian.	Indian.
	CHIEF ENGINEE 'S DEPARTMENT.				
1	Chief Engineer	2,750—125—3,000 .	European.		
2	Dy. Chief Engineer . . .	1,800—100—2,300 .	,,		
3	Executive Engineer	1,000—75—1,600 .	,,		
4	Ditto	ditto . .	,,		
5	Ditto	ditto . .	,,		
6	Ditto	ditto . .	,,		
7	Senior Assistnt Engineer . .	600—50—1,3000 .	,,		
8	Ditto . . .	ditto . .	,,		
9	Ditto . . .	ditto . .	..	..	Indian.

No.	Appointment.	Grade.	Nationality.		
			European.	Anglo-Indian.	Indian.
10	Engineering Assistant . . .	850—30—1,00 .	European.		
11	Mechanical Superintendent . .	1,450—75—1,750 plus 200 special pay with free qrs.	,,		
12	Senior Asst. Mechl. Supdt. . .	1,000—50—1,250 . with free qrs.	,,		
13	Asstt. Mechl. Supdt. . . .	750—50—1000, (H.A. on the sanctioned scale until quarters are furnished).	,,		
14	Ditto . . .	750—50—1,000, (H.A. on the sanctioned scale until quarters are furnished).	,,		

15	Ditto	750—50—1,000 (H.A. on the sanctioned scale until quarters are furnished).	,,		
16	Senior Foreman Diver	750—30—900 with free quarters.	,,		
17	Jr. Ditto	700—30—850 with free quarters.	,,		
18	Quarry Superintendent	650—30—800 with free quarters.	,,		
19	Jr. Asst. Engineer	600—40—800.	..	..	Indian.
20	Ditto	ditto	..	..	
21	Ditto	ditto (vacant			
22	Personal Asst. to the Chief Engineer	ditto	..	Anglo-Indian.	
23	Chief Foreman	700—40—900 (with free qrs.) Grade personal to Mr. Strelley.	..	Anglo-Indian.	
24	Shipwright & Carpenter Foreman	550—25—650 (with free quarters).	European.		

No.	Appointment.	Grade.	Nationality.		
			European.	Anglo-Indian.	Indian.
25	Machineshop Foreman . . .	550—25—650 (with free quarters).	,,		
26	Outside Foreman	550—25—650 (with free quarters).	,,		
27	Boilermaker Foreman . . .	550—25—650 (with free quarters).	,,		
28	Electrical Foreman	200—30—650. .	..	Anglo-Indian.	
29	Ditto	ditto . .	..	,,	
30	Engineer Hyd. Estb. P. D. . .	500—30—650 (with free quarters).	..	,,	
31	Ditto V. D. . . .	500—30—650 (with free quarters).	..	,,	
32	Ditto Ai D. . . .	700—40—900 with free quarters.	European.		
33	Pumping Foreman H.D.D. . .	500—30—650 with free quarters.	..	Anglo-Indian.	

		Rs.		
34	Sr. Shipwright Foreman . . .	700—40—900 with free quarters.	European.	
35	Jr. Ditto . . .	600—25—650 with free quarters.	,,	
36	Master H.D. "Silurus" . . .	650—30—800 with free quarters.	,,	
37	Engineer & Relieving Master, H.D. "Silurus."	650—30—800 with free quarters.	,,	
38	2nd Engineer, H.D. "Silurus" . .	500—30—650. .	,,	
39	3rd Ditto ditto . .	500 (fixed) (vacant.		
40	Master, B.L.D. "Barbus" . .	650—30—800 with free quarters.	,,	
41	Chief Enineer & Rev. D. Master "Barbus".	650—30—800 with free quarters.	..	,,
42	2nd Engineer "Barbus" . . .	500—30—650. .	..	,,
43	Master D. "Octopus" . . .	650—30—800 with free quarters.	European.	

No.	Appointment.	Grade.	Nationality.		
			European.	Anglo-Indian.	Indian.
44	Relieving Master D. "Octo. pus." .	Rs. 650—30—800 (H.A. on the sanctioned scale until quarters are provided (Vacant).			
45	Engineer D. "Octopus" . . .	500—30—650. .	..	Anglo-Indian.	
46	Master, D.D. "Walrus" . . .	650—30—800 with free quarters.	European.		
47	Chief Engineer & D. Master H.D. "Chelura"	650—30—800 with free quarters.	,,		
48	2nd Engineer & Relv. D. Master "Chelura".	500—30—650. .	,,		
49	Engineer & D. Master "Pholas" .	ditto . .	..	,,	
50	Ditto "Stock" . .	ditto . .	..	,,	
51	Ditto G.C. "Flamingo" .	ditto (vacant)			
52	Engineer In charge F.C. "Sarus" .	Ditto .	..	,,	

53	Engineer & D. Master R.C. "Nautilus"	650/- fixed with free quarters vacant).				
54	Sub-Engineer	200—10—250 / 300—25—550	..	..	Indian.	
55	Ditto	Ditto . .	..	..	,,	
56	Ditto	ditto . .	..	..	,,	
57	Ditto	ditto . .	..	..	,,	
58	Ditto Supervisor . . .	ditto . .	..	..	,,	
59	Ditto	ditto . .	..	..	,,	
60	Ditto	ditto . .	..	..	,,	
61	Ditto	ditto . .	..	..	,,	
62	Ditto	ditto . .	..	..	,,	
63	Ditto	ditto . .	..	..	,,	
64	Ditto	ditto . .	..	..	,,	
65	Ditto	ditto . .	..	..	,,	
66	Surveyor, Asst. Surveyor. .	ditto . .	..	..	,,	
67	Ditto ditto . . .	ditto . .	..	..	,,	
68	Ditto ditto . . .	ditto . .	..	..	,,	

No.	Appointment.	r .	Nationality.		
			European.	Anglo-Indian.	Indian.
		Rs.			
69	Asst. Foreman Motor Mechanic . .	350—15—50 (vacant.)			
70	Asst. Engineer Hyd. Estb. A.D.. .	400—20—500 with free quarters.	..	Anglo-Indian.	
71	Pumping Foreman, Merewezher Dry Dock.	400—20—500 House Allowance on the sanctioned scale until quarters are provided. (Vacant).			
72	Loco Foreman, Wadala . . .	400—25—500 with free quarters.	..	Anglo-Indian.	

73	2nd Engineer, "Octopus" . . .	400—20—500. .	..	,,	
74	Engineer "Walrus"	ditto (vacant)			
75	Relieving Engineer, D. Fleet . .	ditto			
76	Engineer "Gull"	ditto (vacant)	..	,,	
77	Do. "Heron"	ditto . .	..	..	Indian.
78	Do. "Bustard"	ditto . .		Anglo-Indian.	
79	Do. "Redshank" . . .	ditto. . .	..	..	,,
80	Do. "Spotbill"	ditto . .	..	Anglo-Indian.	
81	Do. "Widgeon" . . .	ditto . .	..	,,	
		TOTAL .	32	20	20

SPECIAL QUALIFICATIONS NECESSARY FOR CERTAIN POSTS IN THE CHIEF ENGINEER'S DEPARTMENT.

———:o:———

Senior Assistant Engineers.—Experience on large Marine Works both in the Drawing Office and on the job.

Engineer's Assistants.—Drawing office experience getting out preliminary and detail plans for large projects either with Consulting Engineers or big contractors.

Assistant Mechanical Superintendents.—These Officers should have been trained in the Shipbuilding Yards and have gained a good experience in the construction, maintenance and design of Dredging Plant.

Foremen Divers.—Should have had experience in salvage work and block laying and also in Dock work such as examination or repairs to Dock Gates, Caissons, penstock, etc. It is also required of these men that they should be craftsmen and able to carry out fitting and masons work under water.

Workshop Foremen.—The majority of the work being ship repair work it is essential that these men should have been trained in large Shipbuilding Yards where crafts of all sizes are built and repaired.

Shipwright Foremen.—Should have a thorough knowledge of Shipwright work involving a knowledge of the construction of every type of ship ; also a considerable experience in dry docking vessels centring, shoring and regulating the pumping during dry docking operations.

Dredging Masters—1st Class Master's Certificate esesntial also that these officers should have been in command of large dredging craft and had a very considerable previous experience in dredging.

Chief Engineers and Relieving Dredging Masters and Engineers & Dreadiging Masters—Essential that they should have

1st Class B.O.T., Engineers Certificate, 1st Class Inland Masters Certificate and previous charge of the engine room of large dredging craft and a very considerable experience in the maintenance of dredging plant.

No. 1222, dated 18th May 1928.

From Chamber to the Bombay Port Trust, BOMBAY.

I am directed by my Committeee to acknowledge receipt of your letter No. 371, dated the 2nd March 1928, together with the lists of appointments mentioned therein My Committee are obliged to you for making it clear to them that your remark that

> "Indians with necessary qualifications and experience were not at present available"

was made with reference to certain special appointments in the Engineering, Port and the Pilotage Departments and did not refer to the higher graded posts in the service generally. Although the remarks made by my Committee in their letter dated the 9th December 1927 were not capable of any inference to the contrary, my Committee note with regret that in actual practice not a single Indian has been appointed to any higher post either in the Stores or in the Docks Department, which, as your Board observe, do not require special technical qualifications.

My Committee have read with interest the information given by you in the third para of your letter regarding the efforts made by the Port Trust for training Indians in the Engineering Department of the Port Trust. While my Committee appreciate the steps taken by the Port Trust in this direction, they desire to impress upon your Board the fact that no facilities seem to have been provided upto now to train Indians for the higher-graded posts, such as Assistant Mechanical Superintendents, Foremen Divers, Workshop Foremen, Shipwright Foremen, not to say anything about the posts of Executive, Deputy or Chief Engineers. Out of about 85 high and responsible posts in the Engineering, the Port and the Pilotage Departments, my Committee observe

from the lists forwarded by you that only 3 Indians occupy such posts. While my Committee are waiting with interest to hear from you as to what scheme the Port Trust is finally going to adopt to provide facilities for training Indians in the Port and the Pilotage Departments, they venture to suggest that if the policy enunciated in your letter No. 4455 of the 28th October last to Mr. L. R. Tairsee that

> "the Trustees are fully agreed on the principle that the number of Indians in the higher grades of service should be increased as opportunities occur"

is to receive an early and practical expression at the hands of the Trustees, they should devise a suitable scheme for providing facilities for the training of Indians in England or in other countries with the help of scholarships for the high posts in such branches of the Engineering Department as are referred to above. My Committee hope that the Board of Trustees will give very early consideration to this important matter, and will evolve a practical scheme at an early date so that the pace of Indianisation in all the Departments of the Port Trust may be more marked in the near future than it has been in the past.

With regard to the observation of your Board regarding the desirability of issuing to the Press and to Educational institutions a statement of the qualifications and experience required for the higher posts of the different services of the Port Trust, my Committee are still of the opinion that it is not correct to say that such a statement will be of no value to Educational Institutions, as your Board seem to think. On the contrary, they feel that such a statement will be vey useful in giving a practical turn to the recognised policy of Indianisation, if it is made out on right lines and issued as suggested.

No. 2399, Bombay, dated 31st May 1928.

From Bombay Port Trust, to Chamber.

I am directed to ackowledge receipt of your letter No. 1222 dated the 18th instant and to state that the Trustees' views on

the suggestions advanced by your Committee with regard to the training of Indians for higher posts in the Engineering Department will be communicated to you after the question has been fully considered by the Board.

No. 4293, Bombay, 25th September 1928.

From Bombay Port Trust, to Chamber.

In continuance of my letter No. 2399, dated 31st May 1928 I am directed to state that the question of training of Indians for the higher posts in the Port Engineering service was considered by he Trustees at their meeting held on the 11th instant, and I am to enclose for the information of your Chamber a copy of Board's Resolution No. 495 which sets forth full details of the scheme which the Trustees have adopted as an experimental measure.

I am to observe in this connection that while the Trustees are in agreement with the views of your Committee as regards the desirability of affording Indian enginneering students facilities for training in constructional marine engineering with a view to qualifying them for ultimate promotion to the higher grade posts in port engineering sevices, they consider that this object could best be attained by the foundation or endowment of a certain number of scholarships which would enable the holders to undergo the required course of training on port construction works abroad in the manner indicated in the Chairman's note prefixed to the above Resolution. The Trustees consider that this is a matter which might be taken up with the Government of India through the medium of your Chamber.

In the meanwhile the Trustees have decided as an experimental measure to select two of the junior Indian engineers in their service for a two years' course of training on port construction works in Great Britain. Details of the scheme are given in the preamble to the Resolution and the expenses will be defrayed by the Port Trust.

The Trustees are also taking steps to ascertain the views of the other Major Port authorities in India, through the President of the Indian Ports Association, as to the feasibility of adopting a scheme for interchanging junior Indian enginners with a view to widening their pratical experience of Docks and Harbour construction works. This matter will be submitted for consideration at the onference of the Indian Ports Association early next year.

With regard to the training and qualifications considered necessary in candidates for appointment to the various branches of the Port Trust Engineering Department, I am to enclose a note prepared by the Trustees' Chief Engineer with whose views the Chairman and Trustees are in accord. In future these requirements will be specified when advertising vacancies in the Engineering Department.

Copy of Chief Engineer's note dated 12th July, 1928.

(a) **Assistant Civil Engineers.**—The average training and experience considered necessary in an applicant for a post of Assistant Engineer in the service of a British Port Authority is

(i) **Technical.**—The Officer would be required to have passed the Associate Member's Examination of the Institution of Civil Engineers.

(ii) **Practical.**—The Officer would be required to have had a minimum of three years experience on large Dock or Harbour construction works.

In order however to get out specifications for similar posts in the Port of Bombay, to enable as many posts as possible to be Indianised, it has been necessary to differentiate between the Maintenance Engineer and the Construction Engineer (Dock and Harbour) *i.e.*, the Engineer who has had experience in the design and execution of large dock and harbour construction works, as so far it has not been possible to obtain Indian Engineers with the necessary experience in the design and construction of large Marine works.

This has reduced the elasticity of the Department as these Maintenance Engineers could not be transferred to carry out the duties of the Construction Engineers, if any marine works of magnitude were in progress, but it was the only method by which a measure of Indianisation could be effected.

To specify these two branches:—

Maintenance.—The post of Maintenance Civil Engineer demands technical knowledge, a good experience in the handling of men and material, and a considerable knowledge of local conditions. This specification can be complied with by a number of Indians, and this point was fully borne in mind in the reorganisation of the Engineering Department in 1920, when all the posts of the Maintenance side, (called General Works), with the exception of the Executive Engineer, were filled with Indians, and it was, and presumably still is, the intention to fill that post also with an Indian when an opportunity occurs.

I desire, however, to point out that I do not include the Executive Engineer, Dredging, in the specification of a Maintenance Engineer. This officer, in order to satisfactorily carry out his duties, requires in addition to a high order of executive ability, a very considerable mechanical knowledge, and also a special knowledge of the latest forms of dredging plant, which cannot be obtained in India.

Construction.—It is expected of the Construction Engineer and of all officers in the higher posts that they shall be able to plan and construct new marine works on a large scale for port extensions. This demands in addition to technical knowledge a very considerable experience on large marine works and so far it has not been possible to obtain the necessary experience in India. The great field for the training of Marine Engineers is the Admiralty, the large Home ports, or big contractors carrying out marine works.

(b) The training in India would be very much improved if young Engineers after receiving their technical training were

articled to Engineers of standing from whom they would receive instructions in every branch of their profession, instead of the narrow field which they are compelled to stick to as a paid employee.

I consider it essential that for the higher executive posts that the training should be abroad as, in general, Indian Engineering is a little behind the times, and it is only by the continual influx of home trained engineers and also by the more senior engineers spending a considerable portion of their home leave in studying the latest methods of construction and types of plant that Indian Engineering makes progess in the adoption of the latest methods.

I have assumed all through that the Chairman's queries applied to Assistant Civil Engineers and not Assistant Mechanical Engineers. There is, if anything, greater difficulty in obtaining suitable Indian Assistant Mechanical Engineers for the Port Trust service than Assistant Civil Engineers.

The Mechanical Section have in addition to plant of a very varied nature, a large number of vessels including dredgers, etc., belonging to the Trust to maintain in working order, and to draw up plans and specifications for new plant and vessels; and for these reasons it is necessary that the officers for these posts should have training and experience in this work.

Unfortunately there is little scope for this training in India as these officers require to have, before joining the Trust, good theoretical and practical experience in the mechanical line and also experience in the design and construction of dredging plant and other vessels obtained in a shipbuilding yard, this experience extending over a period of at least 10 years, and preferably have held a position of responsibility.

APPENDIX 109.

INSPECTORS OF FACTORIES, STEAM BOILERS AND MECHANICAL ENGINEERS. (VIDE APPENDIX 105 p. 607 CHAMBERS REPORT FOR 1927.)

No. 2059/16745-D., Bombay Castle, 1st February 1928.

From the Government of Bombay, General Department to Chamber.

With reference to your letter No. G.-2956, dated the 2nd December 1927, I am directed by the Governor in Council to forward herewith two statements A and B showing the names, designation, nationality and pay of the staffs of Inspectors in the factory, Boiler and Smoke Nuisances Departments as they stood in 1922 and 1927, respectively.

2. During the last 5 years, 3 additional appointments of Inspectors were sanctioned by Government as shown below :—

Factory Department :—

1 appointment of Inspector of Factories.

1 appointment of Lady Inspector.

Boiler and Smoke Nuisances Department :—

1 appointment of Inspector of Steam Boiler and Smoke Nuisances Department.

The post of Factory Inspector was given to Mr. W. Hallows, that of Steam Boiler Inspector was given to Mr. A. J. Tuffield and that of Lady Inspector to Dr. (Miss) Tehmina J. H. Cama. Information regarding nationality, pay, etc., of these officers is given in statement B.

STATEMENT A.

Staff of the amalgamated Department of Factories, Boilers and Smoke Nuisances as it stood in December 1922.

S. No.	Name.	Designation.	Nationality.	Pay	Remarks.
1	**Permanent Staff.**			Rs.	
2	Mr. D. R. MacIntosh . .	Chief Inspector	British	1,000—50—1,500	
3	,, T. W. Johnstone . .	Inspector .	,,	400—30—900	
4	,, A. H. Fell . . .	Do.	,,	Do.	
5	,, J. A. Spender . .	Do.	,,	Do.	
6	,, R. H. Claridge . .	Do.	,,	Do.	
7	,, J. R. Allan . . .	Do.	,,	Do.	
8	,, G. H. Baker . . .	Do.	,,	Do.	
9	,, A. W. Marks . . .	Do.	,,	Do.	
10	,, J. Cubbon (Ag.) . .	Do.	,,	Do.	
11	,, F. Tinker (Ag.) . .	Do.	,,	Do.	
	,, S. M. Gazdar. . .	Do.	Indian	400	
12	**Additional temporary staff.**				
	Mr. Jas Anderson . .	Temporary Inspector.	British	600	
13	,, A. Mac Nab . . .	Do.	,,	600	

STATEMENT B.

Staff of Inspectors in the Factory and Boiler and Smoke Nuisances Departments as it stood in December 1927.

S. No.	Name.	Designation.	Nationality.	Pay Rs.	Remarks.
1	Mr. T. A. Keith . .	Chief Inspector.	British	1,200—50—1,500 .	Joined on 19th August, 1927 when Mr. MacIntosh was on leave prior to retirement.
2	,, J. A. Spencer .	Inspector.	,,	400—30—900 . .	
3	,, J. R. Allan . .	Do.	,,	Do. . .	
4	,, A. W. Marks . .	Do.	,,	Do. . .	
5	,, J. Cubbon . .	Do.	,,	Do. . .	
6	,, S. M. Gazdar . .	Do.	Indian	Do. . .	
7	,, J. N. Master . .	Do.	,,	400—20—600 . .	
8	,, S. H. Thaker .	Do.	,,	Do. . .	Joined after re-separation in 1923.
9	,, M. R. Dahadphale .	Do.	,,	Do. . .	
10	,, A. J. Tuffield .	Do.	British	Do. . .	
11	,, C. W. Everett .	Do.	Anglo-Indian	Do. . .	
	Factory Department.			950—50—1,250 plus £ 30	
1	Mr. T. W. Johnstone .	Chef Inspector	British	Overseas pay.	
2	,, W. H. Phillips .	Inspector	,,	650—50—850—50—1,100	
3	,, M. K. Donne .	Do.	Indian	Do.	
4	,, W. Hallows . .	Do.	British	Do.	
5	,, A. R. Kagal . .	Asst. Inspector	Indian	400—25—500—25—600	Joined after re-separation in 1923.
6	,, N. G. Kewalramani	Do.	,,	Do. .	
7	,, C. V. Sakhalkar .	Do.	,,	Do. .	
8	Dr. (Miss) Tehmina J. H. Cama.	Lady Inspector	,,	250—40/3—450—50—500	

Bombay, 9th January 1928.

(Sd.).....
Collector of Bombay.

APPENDIX 110.

REVISED RULES REGARDING BENGAL PILOT SERVICE (VIDE pp. 195—197, CHAMBER'S REPORT FOR 1927).

No. 1159, dated 9th May, 1928.

From Chamber to the Government of India, Department of Commerce, SIMLA.

As suggested by the Hon'ble Sir George Rainy, Commerce Member, Government of India, during his interview with the Committee of this Chamber, on Monday the 23rd April 1928, I am directed by my Committee to invite a reference to our letter No. G.-2990, dated the 7th December 1927, on the subject of unfair and unequal treatment meted out to Indian candidates for the Bengal Pilot Service in this country as constrated with the candidates selected in England and to request you to place the same before the Hon'ble the Commerce Member, who has promised to look into the question and send a reply to the Chamber in due course.

No. 141-S.(12), Simla, the 7th June 1928.

From the Government of India, Department of Commerce to Chamber.

I am directed to refer to the correspondence ending with your letter No. 1159, dated the 9th May 1928, on the above subject, and to forward a copy of the notification issued by this Department publishing revised rules for the appointment of candidates to the Bengal Pilot Service.

2. It will be obeserved that under these rules appointmen t will ordinarily be limited in the first instance to natives of India, and that preference will be given to candidates who have passed through the Indian Mercantile Marine Training Ship Dufferin

Appointments will be made by the High Commissioner in England only when the Government of Bengal have been unable to make suitable appointments in India. Candidates for appointments both in India and in England are now required to have exactly the same professional qualification, namely, the possession of a certificate of competency as 2nd mate (foreign-going). I am to point out in this connection that under the rules relating to the examination of masters and mates, a 2nd mate's (foreign-going) certificate can be obtained by service in the Indian home trade.

No. 141-S.(12), Simla, the 9th June 1928.

Government of India,

Department of Commerce.

NOTIFICATION.

Shipping.

The following revised rules for the appointment of candidates to the Bengal Pilot Service are published or general information, in supersession of those published with the Government of Bengal Notification No. 8-T.- Marine, dated the 9th May 1927, These rules will come into force after the forthcoming examination of which notice has already been given under the existing rules, has been held.

BENGAL PILOT SERVICE.

Rules for the appointment of candidates to the Bengal Pilot Service.

Appointments to the Bengal Pilot Service are made on behalf of the Government of India by the Government of Bengal in India and by the High Commissioner for India in England. Appointments are made by the High Commissioner only when the Government of Bengal have been unable to make suitable appointments in India.

A.—Appointments by the Government of Bengal.

1. Appointments made by the Government of Bengal are ordinarily limited to natives of India. For the purpose of this rules, a native of India means any person domiciled in British India and borne of parents habitually resident in India and not established there for temporary purposes only.

2. Candidates must not be more than 22 years of age.

3. Every candidate shall be in possession of a certificate of competency as 2nd mate (foreign-going). Preference will be given to candidates who have passed through the Indian Mercantile Marine Training Ship **Dufferin.**

4. Every candidate must produce—

(i) if he is under 21 years of age, a declaration of domicile in writing by the parent or guardian of the applicant, attested by not less than two responsible persons, and, if he is 21 years of age or over, a declaration in writing by the applicant himself, attested by not less than two responsible persons;

(ii) satisfactory evidence to show that he is not over 22 years of age; and

(iii) satisfactory evidence to show that he is of good moral character.

5. Selected candidates, before being appointed, shall undergo a medical examination before the Medical Board at Calcutta.

B.—Appointments by the High Commissioner for India.

1. Candidates must not be more than 22 years of age.

2. Every candidate shall be in possession of a certificate of competency as 2nd mate (foreign-going). Preference will be given to candidates who have passed through one of the Training Ships, **Worcester** and **Conway**, or through the Pangbourne Nautical College, followed by a course in a sea-going training ship or in the Royal Naval Reserve.

3. Every candidate must produce satisfactory evidence to show that—

(i) he is not over 22 years of age; and

(ii) he is of good moral character.

4. Selected candidates, before appointed, shall undergo a medical examination before the Medical Board at the India Office.

5. A selected candidate, if passed by the Medical Board, will receive a first-class passage to Calcutta and an outfit allowance of £30. If he resigns or leaves the Service before he has served five years he will be required to refund the cost of his passage to India and the outfit allowance, unless his resignation is due to ill-health certified by a Medical Board sitting at Calcutta. He will be required to give an undertaking with two sureties for this refund. If he is a minor, a similar undertaking will be required from his father, guardian, or near relative, with one surety. If before promotion to the grade of pilot the officer is removed from the Service, or if he is compelled by certified ill-health, not caused by his own negligence, carelessness or misconduct, to resign the Service before such promotion, he will, if of non-Asiatic domicile, be provided with a free first-class passage back to England, or at his option to any other country at a cost not exceeding that of such passage, provided that he utilises it within three months from the date of his removal or resignation as the case may be.

G. L. CORBETT,
Secretary to the Government of India.

No. 1718, dated 31st July 1928.

From Chamber to the Government of India, Department of Commerce, SIMLA.

I am directed to acknowledge receipt of your letter No. 141-S.(12), dated 7th June 1928, with its enclosures, and

state that my Committee have considered the revised rules published by the Government of India regarding the appointment of candidates to the Bengal Pilot Service. They approve of the revised rules, but in view of the considerations mentioned below, they think that the age-limit should be increased from 22 to 24, if the candidates recruited in India are to be placed on the same footing in every way with those recruited in England.

The first consideration is this: While the Board of Trade allow 2 years on H.M.S. Convey or Worcester in England as equivalent to one year's sea-service, 3 years study on the Indian Mercantile Marine Training Ship "DUFFERIN" in India is made obligatory for the purpose, i.e., for counting it as equivalent to one year's sea-service. Apart from this obvious disadvantage of one year at the very start to which the Indian student is put as compared with the English candidate, the higher age at which an Indian candidate as compared with an English candidate generally speaking, will seek admission to the Training Ship "DUFFERIN" will give him a further set-back as compared with his English colleague. In addition to this there is one further disadvantage from which the Indian candidate is likely to suffer. While 3 years' further sea-service in foreign going vessels will be necessary for a cadet coming out of the H.M.S. Convey or Worcester, before he is entitled to sit for the examination for obtaining a certificate of competency as 2nd Mate (foreign-going), atleast 4 years' sea-service will be necessary for a cadet of the "DUFFERIN" obtaining his further sea-experience in Home Trade Ships commanded by Masters holding foreign-going certificates to enable him to sit for the same examination. These considerations, in the opinion of my Committee, justify the necessity of raising the age from 22 to 24 and they, therefore, request that Government will be pleased to make this change in the revised rules.

No. 141-S.(12), Simla, dated the 28th September 1928.

From the Government of India, Department of Commerce, to Chamber.

With reference to your letter No. 1718, dated the 31st July 1928, on the above suject, I am directed to say that the question raised by your Chamber is under the consideration of the Government of India.

APPENDIX 111.

EMPLOYMENT OF INDIANS IN HIGHER POSTS IN THE NASIK SECURITY PRESS.

No. 894, dated 4th April 1928.

From Chamber to the Government of India, Department of Industries and Labour, NEW DELHI.

The Committee of this Chamber will be obliged if the Government will be good enough to supply them with the following information regarding the appointments of staff higher than clerical in the Government Security Press at Nasik:—

(1) The total number of Europeans and their respective salaries;

(2) The total number of Anglo-Indians and Eurasians and their respective salaries;

(3) The total number of Indians and their respective salaries.

Hoping to receive an early reply.

No. D./3032-R.-II, Simla, the 13th June 1928.

From the Government of India, Finance Department.

In reply to your letter to the Department of Industries and Labour No. 894, dated the 4th April 1928, I am directed to enclose a statement showing the number of Europeans and Indians holding higher appointments in the Security Press and the salaries drawn by them.

Statement of appointments of staff higher than clerical in Security Printing, India, with their salaries.

Europeans.	Salary. Rupees.	Domiciled Europeans Anglo including Indians.	Salary. Rupees.	Indians.	Salary. Rupees.
1	3,875*	1	850	1	280
1	2,250*	1	550	1	230
1	1,150	1	350	2	200*
1	1,120(*a*)	1	300	1	165
1	1,100(*a*)	1	200	2	150
2	680(*a*)	2	200*	1	146
1	650)*a*)	3	175	1	140
5	400(*a*)	2	100	2	120
1	320	..	..	3	110
1	300	..	..	7	100
1	150*	..	..	3	80
..	..	..	..	4	60
..	..	..	..	1	86
..	..	..	..	1	70

(*a*)On 5 years agreement.

*This pay is personal.

*Temporary appointment.

Except for those appointments marked (*) the apponitment carry rent free quarters.

No. 1558, dated 5th July 1928.

From Chamber to the Government of India, Finance Department, SIMLA.

I am directed to acknowledge receipt of your letter No. D.-3032-R. II, dated 13th June 1928, together with a statement showing the number of Europeans and Indians holding higher appointments in the Nasik Security Press and the salaries drawn by them. My Committee regret to note the entire absence of Indians in the higher posts, and the consequent disparity in the salaries drawn by Europeans and Indians. The highest salary drawn by a European is Rs.3,875per month, while that of an Indian is only Rs. 289 per month. The total monthly salary Bill of the Europeans comes to Rs. 14,275 ; that of Domiciled Europeans and Anglo-Indians comes to Rs.3,275, and that of the Indians is only Rs. 3,467 inspite of their number being almost equal to that the first two classes.

If Government intend carrying out their Indianisation policy in such a fashion they should not have accepted the principle of Indianisation of superior services at all. The general public as well as the commercial community cannot be satisfied with the half-hearted policy recently adopted by Government in connection with appointments of Indians to various higher services. What is required is a serious and honest attempt at giving equal and fair opportunities to Indians in all the superior services. My Committee will feel obliged if Government will be pleased to enlighten them as to the reasons for the disparity pointed out in the appointments in the Nasik Security Press. They will also feel obliged if Government will inform them as to how many of the Security Press Staff are engaged on the contract basis and how many on the pension basis.

No. D.-4145-R.-II-28, Simla the 4th August 1928.

From the Government of India, Finance Department, to Chamber.

In reply to your letter No. 1558, dated the 5th July 1928, I am directed to observe that the industry recently established in the Nasik Security Press is one entirely new to India and that the disparity of Indians in the higher posts is due to the fact that Indians possessing the knowledge of engineering and acquaintance with fine printing required in those posts are not at present available in the market. The applications received from Indians for employment in higher posts were either from men without experience in any technical line, or, from men who had not made good in their previous employment. The Europeans employed in the higher appointments in the press are men who have reached their present position by virtue of long service and technical experience. Endeavours are being made in every way to train Indians, already employed at the Press, in the various branches of the business; several of these already show great promise and among them should be found some who in course of time will succeed worthily to the higher posts.

2. I am to add that (i) the total monthly disbursements of pay are, at present Rs. 22,546 to Indians, and Rs. 18,280 to Europeans and Statutory Indians; the former figure will increase at a much greater rate than the latter, and

(ii) 10 Europeans are on a contract basis. The remainder of the Europeans and all the Anglo-Indians and Indians are employed on a pension or bonus provident fund basis.

No. 1888, dated 18th August 1928.

From Chamber to the Government of India, Finance Department, SIMLA.

With reference to your letter No. D.-4145-R.-II-28, dated the 4th August, 1928, my Committee will feel obliged if you will

be good enough to supply them with the following information :—

(*a*) What qualifications are laid down for the higher posts in the Security Press ;

(*b*) Whether the Europeans, Domiciled Europeans and Anglo-Indians at present employed in the Press possess the qualifications so laid down ;

and

(*c*) Whether these posts were advertised in India, and if so, a copy of same may kindly be supplied.

No. F.-37-X-R.-II, Simla, the 4th October 1928.

From the Government of India, Finance, Department to Chamber.

In reply to your letter No. 1888, dated the 18th/20th August 1928, I am directed to say that no specific qualifications for the higher posts in the Security Press have been laid down. Question (*b*) in that letter does not, therefore, arise. As regards question (*c*), I am to say that with the exception of one advertisement for a qualified commercial accountant no posts were advertised in India. Of the appointments made in India several transfers from other allied Government Departments, *viz.*, the Mint, Currency and Accounts Departments. With the exception of the specialists recruited from England on a five years' agreement, all other appointments are made on probation and the incumbents thereof are not confirmed until they have proved their suitability Some posts of Junior and Assistant Supervisors are now being advertised.

2. I am to add that it would appear from the insistent questionings of the Chamber that they may know of some Indian candidates possessing the technical qualifications required, whose claims have been overlooked. If this should be the case, the Government of India would be glad to have any information the Chamber can give, which would enable the Government of India to find these Indian candidates.

3. I am to enclose a revised statement showng (i) the number of Europeans and Indians holding higher appointments in the

Security Press, (ii) the salary drawn by them, and (iii) the total monthly salary drawn by Europeans, Domiciled Europeans and Anglo-Indians, and Indians in the Press.

Statement of appointments of staff higher than clerical in Security Printing, India, with their salaries.

Europeans	Salary Rupees.	Domiciled Europeans including Anglo Indians.	Salary Rupees.	Indians.	Salary. Rupees.
1 .	3875**	1	850	1 .	750
1 .	2250**	1	600	1 .	280
1 .	1150	2	400	1 .	230
1 .	1120(*a*)	1	300	2 .	200*
1 .	1100(*a*)	2	2005	2 .	175
2 .	720(*a*)	1	175	1 .	170
1 .	650	..	..	1 .	165
1 .	440(*a*)	..	..	1 .	150
4 .	400(*a*)	..	..	1 .	140
1 .	340			1 .	130
1 .	300			3 .	120
1 .	150**			2 .	110
				6 .	100
				1 .	90
				1 .	86
				2 .	80
				1 .	70
				5 .	60

(*a*) On 5 years' agreement.

*This pay is personal.

**Temporary appointment.

Except for those appointments marked (*) the appointments carry rent free quarters.

Total monthly disbursements of pay are at present as under:

Europeans ;	Domiciled Europeans and Anglo-Indians.	Indians ;
Rs. 14,525/	Rs. 3,950/	Rs. 24,825/

No. 2456, dated 31st October 1928.

From Chamber to the Government of India, Finance Department DELHI.

I am directed to acknowledge receipt of your letter No. F.-37-X.-R.-11, dated 4th October 1928, and its accompaniment.

With regard to the observation made by you in paragraph 2 of your letter, my Committee desire to emphasise the fact that they are not in the least concerned with any individuals. They have taken up this question as they do others, as a matter of principle, viz., Indianisation of higher posts of the Nasik Security Press.

APPENDIX 112.

CHAMBER'S REPRESENTATION ON THE EXECUTIVE COMMITTEE OF THE PRESIDENCY AGRICULTURAL SHOW AT AHMEDABAD.

No. A.G.R. 159, Camp Bassein, 30th March 1928.

From W. W. Smart, Esquire, I.C.S., Commissioner, N. D. to CHAMBER.

At the last meeting of the Executive Committee of the Presidency Agricultural Show to be held at Ahmedabad in November next it was resolved that a representative of the Indian Chamber of Commerce shoud be invited to serve on the Executive Committee of the show and as Chairman of the Executive Committee I have to request you to suggest the name of your nominee who is willling to serve on the Committee. His Excellency the Govenor has kindly consented to open the show on 17th November 1928.

No. 885, dated 4th April 1928.

From Chamber to W. W. Smart, Esquire, I.C.S., Commissioner, Northern Division, AHMEDABAD.

With reference to your letter dated the 30th March 1928, No. A.G.R. 159, I am directed to inform you that my Committee have nominated Mr. Walchand Hirachand, C.I.E., as the Chamber's representative on the Executive Committee of the Presidency Agricultural Show to be held at Ahmedabad in November next.

His address is:

"Phoenix Building, Sprott Road, Ballard Estates, Fort BOMBAY."

APPENDIX 113.

CHAMBER'S REPRESENTATIVE ON THE PROVINCIAL ROAD BOARD.

No. 346, dated 6th February, 1928.

From Chamber to the Government of BOmbav, General Department, BOMBAY.

The attention of the Committee of this Chamber has been drawn recently to the constitution of the Provincial Road Board of the Government of Bombay appointed in 1926. The functions of the Board seem to be of great importance to the Indian commercial community. From the personnel of the said Board, it transpires that the Bombay Chamber of Commerce is given a representation on the same while this Chamber, which, be it noted, enjoys equal rights and privileges from the Local as well as the Imperial Governments and other public bodies like the Port Trust, Improvement Trust, Municipality, etc., is left over. My Committee fail to understand the reason why the Indian Merchants'

Chamber was not asked to nominate its representative on suc an important Board. The question of road development and repairs is of great importance not only to the Indian trade, industry and commerce but also to agriculture. In order to carry on successfully and in a businesslike manner the functions assigned to the Provincial Board, there must be adequate and effective representation of the Indian commercial community on the same. My Committee will be obliged if Government will be pleased to inform them as to the reasons why this Chamber was not accorded the privilege of representation on the said Board.

I am further directed to request that the Government will be pleased to nominate a representative selected by my Committee on the Board.

Hoping to receive an early reply.

No. 3849-W., Public Works Office, Bombay Castle, 29th February, 1928.

From the Government of Bombay, Public Works Department, to Chamber.

With reference to your letter No. 346, dated 6th February 1928, I am directed by the Government of Bombay (Transferred Departments) to inform you that when the Road Board was appointed by Government in April 1926, a representative of the Chamber of Commerce was not appointed on it. In August 1926 a letter was received from the Chamber which showed that that body was much interested in the question of road development. Government accordingly appointed a representative of the Chamber on the Road Board. As your Chamber also is now interested in the question, Government are pleased to appoint a representative of your Chamber on the Road Board. I am to request that the name and designation of the representative may kindly be communicated at an early date.

No. 3849-W., Public Works Office, Bombay Castle, 9th March 1928.

From the Government of Bombay, Public Works Department, to Chamber.

I am directed by the Govenment of Bombay (Transferred Departments) to invite reference to Government Letter No. 3849-W., dated 29th February 1928 regarding the appointment of a representative of your Chamber on the Road Board and to request the favour of a very early reply.

2. I am to add that a meeting of the Road Board will be held at the Town Hall, at 11 A.M., on Friday the 16th March 1928. The Agenda etc., for the meeting will be forwarded to your representative on receipt of a reply from you.

No. 661, dated 10th/12th March 1928.

From Chamber to the Government of Bombay, Public Works Department, BOMBAY.

With reference to your letter No. 3849-W., dated the 9th March 1928 re: above, I am to draw your attention to this Office letter No. 642, dated the 8th March 1928, informing you that my Committee have nominated Mr. Walchand Hirachand, C.I.E., Phoenix Building, Ballard Estate, Fort, to represent this Chamber on the Road Board, as desired by the Government.

APPENDIX 114.

INTERNATIONAL CIVIL AERONAUTICS CONFERENCE AT WASHINGTON.

Calcutta, October 6, 1928.

From American Trade Commissioner to Chamber.

I have the honour to inform you that the United States Department of Commerce has instructed me by cable to extend

an invitation to the Indian Merchants' Chamber to send a representative to attend the International Civil Aeronautics Conference to be held in Washington, D.C., from December 12 to December 14. 1928.

This Conference will be preceded by an Aeroplane Show in Chicago for a period of one week and it is hoped that a delegate of the Indian Merchants' Chamber will be able to attend both functions.

No. 2409, dated 25th October, 1928

From Chamber to the American Trade Commissioner, Calcutta.

With reference to your letter of the 6th October 1928, I am directed to inform you that my Committee have nominated Mr. S. R. Bomanji, as the Chamber's representative to attend the above Conference. Mr. Bomanji's New York address is:

Postal	Telegraphic.
"Hotel Plaza," New York.	"Bomanji", New York.

I shall, therefore, feel obliged if you will be good enough to supply Mr. Bomanji with the necessary papers, literature, etc. regarding the Conference at an early date.

Calcutta, October 29, 1928.

From American Trade Commissioner to Chamber.

I thank you for your letter of October 25 and am grateful to note that the Indian Merchants' Chamber have nominated Mr. S. R. Bomanji as representative to attend the International Civil Aeronautics Conference.

I have cabled this information and Mr. Bomanji's address in New York to my Department at Washington with the request that he be furnished with an official invitation and particulars pertaining to this Conference.

Your co-operation has been very much appreciated and we hope that Mr. Bomanji will be able to submit a favourable report on the Conference.

Letter from Mr. S.R. Bomanji, Washington, dated 12th December 1928 to the Secretary, Indian Merchants' Chamber, re: International Aeronautics (Civil) Conference :—

I write this to you after the first day's work was finished.

The papers read at the Conference were most interesting, the best being the German. President Coolidge opened the Conference with a speech and I am sending you per separate parcel all the literature containing the speeches and papers.

Most countries of the world were represented and it was a most discouraging thought to me that one country counted for nothing in a conference where 58 countries were represented. For an Indian it was a most humiliating spectacle when a country like Siam had its own native representative who was a trained flier and came in his military uniform and our vast and great country had no official aeronautic delegate. Canada, Australia, Irish Free State had their own aeronautic delegates quite apart from the British delegation of whom I was an unofficial member.

However discouraging a figure India presented at the Conference, I was pessimistic as the other delegates could appreciate how our connection with England kept us from participating in a world movement which had such enormous future possibilities for the advancement of world communications.

I was very much impressed with the vital necessity of India unofficially participating in all international gatherings and conferences which is bound to bring our delegates in contact with other delegates who will realize the difficulties we have to face, under the present system of our Government for our lack of progress in all new movements.

I must ask you kindly to convey my best thanks to the Committee of our Chamber for having given me the privilege of being their representative at this Conference. Always ready to be at the Chamber's disposal, and with kindest regards to you.

No. 101, dated 16th January, 1928.

From Chamber to Mr. S. R. Bomanji, New York.

Your letter of the 12th December 1928 was placed before the Committee for their consideration. The Committee are deeply obliged to you for the trouble you have taken in attending the International Civil Aeronautics Conference, and wish me to convey their thanks to you.

APPENDIX 115.

CHAMBER'S REPRESENTATIVE ON THE ADVISORY COMMITTEE OF THE ROYAL INSTITUTE OF SCIENCE, BOMBAY.

No. 3234-E, Bombay Castle, 22nd November 1928.

From the Government of Bombay Educational Department, to Chamber.

Subject: Royal Institute of Science, Advisory Committee; Appointment of.

I am directed by the Government of Bombay, (Transferred Departments) to refer to Rule 2 of the Rules relating to the Advisory Committee of the Royal Institute of Science, Bombay forwarded with Government letter No. 3234-E, dated the 24th November 1925, and to request that as the present term of the Committee expires on 31st December 1928, you will be so good as

to communicate to Government before 10th December 1928 the name of the representative of the Chamber who should sit on the Committee for the next three years commencing from 1st January 1929.

No. 2689 dated 28th November 1928.

From Chamber to the Government of Bombay, Educational Department, Bombay.

With reference to your letter No. 3234-E. dated 22nd November 1928, I am directed to inform you that my Committee have re-nominated Mr. Kapilram H. Vakil to represent this Chamber on the above Committee for the next three years commencing from 1st January 1929. His address is:

"Navsari Buildings, Hornby Road, Fort, Bombay."

APPENDIX 116.

REGULATION OF MOTOR HORNS FOR THE CITY OF BOMBAY.

No. 8208-M. V. of 1st October 1928,

From the Dy. Commissioner of Police, Port, Bombay, to Chamber.

I am to bring to your notice that as many complaints have been received about the annoyance caused by the unnecessary sounding of motor horns the Commissioner of Police proposes to recommend to Government as some mitigation of the nuisance the use of a standard horn for use in the city of Bombay only. The Commissioner of Police would therefore be pleased if your Chamber would send a representative to see him in his office on Tursday, the 11th October at 12 noon to favour the Commissioner of Police with his advice about a suitable horn.

No. 2301 dated 10th October 1928.

From Chamber to the Deputy Commissioner of Police, Port, Bombay.

With reference to your letter No. 8291-MV, dated 1st instant, I am directed to inform you that Mr. L. R. Tairsee, President of this Chamber, will be glad to see you in your Office on Thursday, the 11th instant at 12 Noon, with regard to the matter above referred to.

APPENDIX 117.

PROPOSED ESTABLISHMENT OF TRAFFIC COMMITTEE FOR THE CITY OF BOMBAY AND CHAMBER'S REPRESENTATION ON THE SAME.

No, 3528/2/E, Bombay Castle, 8th December 1923.

From the Government of Bombay, Home Department to Chamber,

Subject;—Traffic Committee for Bombay City.

It is proposed to appoint a Committee consisting of certain officials and representatives of non-official bodies to assist the Commissioner of Police in the policy of traffic control in the City of Bombay and to advice Government on the various problems connected with it. The Committee will meet every quarter and for each such quarterly meeting a fee of Rs. 30 will be payable to the members present. I am to request that you will be so good as to favour Government with your remarks on the proposal and to state whether the Indian Merchants' Chamber, are willing to nominate their representative to sit on this Committee.

No. 2253 dated 12th December 1928.

From Chamber to the Government of Bombay Home Department, Bombay.

With reference to your letter No. 3528/2/E, dated 8th December 1928, I am directed to inform you that my Committee approve of the proposed appointment of the above Committee, and have nominated Mr. Laxmidas Rowji Tairsee, President of this Chamber, as their representative on the same. Mr. Tairsee's address is:

"9A, Walkeshwar Road, Bombay, 6."

Traffic Committee; Appointment of a—
for Bombay City.

GOVERNMENT OF BOMBAY.

Home Department.

Resolution No. 3528/2.

Bombay Castle, 15th January 1922.

Letter from the Commissioner of Police, Bombay, No. 3256/151 Imp., dated the 22nd March 1928:—

"I have the honour to report that with the continued and rapid increase of motor vehicles in the City of Bombay the proper control of traffic will presently become if it has not already become a problem beyond the capacity of the Police to deal with. The number of motor vehicles of all descriptions now running in this City is 10372. In addition there are 6,511 licensed public land conveyances and thousands of horse and bullock vehicles belonging to private individuals that do not require licenses. With 16,883 licensed vehicles of all descriptions, the majority of which are fast moving, in the streets and with no parking grounds except the few places set aside for public conveyances, Government will appreciate the many difficulties that the Commissioner of Police has to contend with in order to avoid congestion and satisfy public demands.

2. The following are the more important of the proposals at present before me (1) the establishment of parking places and rules for the control thereof, (2) the prohibition of cars standing in certain streets except for a few minutes, (3) the prohibition of animal drawn traffic in certain congested streets, etc, and (4) the encouragement on both sanitary and traffic grounds of the elimination of animal drawn transport.

3. In all these cases, many interests are affected; it is impossible for the Commissioner of Police to put before Government the full implications of every proposal; and Government must in the public interests make reference separately to the bodies or individuals affected. Time is lost and in the end Government have some difficulty in coming to any definite conclusion owing to the number of conflicting interests.

4. In my opinion the time has come for the appointment of a Traffic Committee to assist the Police in the policy of traffic control and to advise Government on the difficult problems connected therewith. I would suggest that the Committee consist of the following (1) the Municipal Commissioner, (2) the Chief Presidency Magistrate, (3) a representative of the Western India Automobile Association, (4) a representative of the Bombay Chamber of Commerce, (5) a representative of the Indian Chamber of Commerce, (6) the Commissioner of Police, and (7) the Deputy Commissioner of Police for the Port.

5. It might be sufficient if this Committee were to meet once every three months. In order that all the members of this Committee should be present when it meets I suggest that a fee of Rs. 50 be paid to each member for every meeting attended."

RESOLUTION:—The Governor in Council is pleased to sanction the appointment of a Traffic Committee for the City of Bombay to assist the Commissioner of Police in the policy of Traffic control and to advise Government on the various problems connected therewith.

2. The Committee should consist of the following :—

(1) The Commissioner of Police, Bombay (Chairman).

(2) The Municipal Commissioner, Bombay or his representative.

(3) The Chief Presidency Magistrate, Bombay.

(4) Representative of the Western India Automobile Association.

(5) Representative of the Bombay Chamber of Commerce.

(6) Representative of the Indian Merchants, Chamber.

(7) The Deputy Commissioner of Police for the Port (Secretary).

3. The Committee should hold quarterly meetings and the members present should be paid an honorarium of Rs. 30 per meeting. The extra expenditure involved should be met during the current year from the savings anticipated in the provision of Rs. 14,340 under the head "26,A Police—Presidency Police—Police Allowances, Honoraria etc.,—House rent allowance."

4. The extra charge involved during the year 1929-30 should also be met by re-appropriation and the Commissioner of Police, Bombay, should be requested to make proposals in regard to it after the next year's budget grants are communicated to him. The statement contemplated by Government Circular, Finance Department No. P. 70, dated the 13th May 1926 should be forwarded to that Department,

5. The Commissioner of Police, Bombay, should be requested to submit a report after the scheme has been tried for one year.

By order of the Governor in Council.

E. W. Trotman.

Under Secretary to the Government of Bombay, Home Department.

G.R., H.D., No. 3528/2, dated 15th January 1929.

To

The Commissioner of Police, Bombay.

The Municipal Commissioner for the City of Bombay.

The Chief Presidency Magistrate, Bombay.

The Western India Automobile Association, } With a
The Bombay Chamber of Commerce } spare
The Indian Merchants' Chamber, } copy.

The Deputy Commissioner of Police for the Port of Bombay.

The Accountant General, Bombay.

The Finance Department (with the statement mentioned in paragraph 4.)

APPENDIX 118.

EXTENSION OF PUBLIC TELEPHONE SERVICES.
No. 2727, dated 1-12-28 30th November 1928.

From Chamber to the Secretary, Bombay Telephone Co., Ltd., BOMBAY.

I am directed by my Committee to draw your attention to the desirability of extending the system of public telephones to the busy and thickly populated centres, like the Crawford Market, Moti Bazar, Pydhonie, Royal Opera House, Flora Fountain, etc. in the city as also to some suburbs on the B. B. & C. I. and G. I. P. Rilways like Dadar, Andheri, Byculla Kurla, Ghatkopar Thana etc. Your Board, I take, is aware of the fact that most of the places mentioned above are of importance both from the point of view of population and business, and as such justify the extension of public telephone services. Absence of this amenity in these days of varied activities and requirements, is a source of considerable inconvenience to the public at large. I am, therefore, directed by my Committee to request your Board to be good enough to provide for this much-needed facility at the places mentioned above.

No. G. Misc/P. C. P. O., Bombay, 3rd December 1928.

From the General Manager and Secretary. Bombay Telephone Co., Ltd., to Chamber

I have to thank you for your letter No. 2727, dated the 30th November, which shall receive vary careful consideration. The Company has already taken steps to obtain the necessary sanction to place Call Offices in some of the locations which you name.

No. 2788, dated 6th December 1928.

From Chamber to the General & Secretary, Bombay Telephone Company, Limited Manager BOMBAY.

I have to acknowledge receipt of your letter No. G. Misc. P. C. O., dated the 3rd December 1928, on the above subject, and to convey to you the thanks of my Committee for the contents of your letter.

APPENDIX 119.

GUJARATI EDITION OF THE BOMBAY TELEPHONE DIRECTORY.

No. 1821,dated 9th August 1928.

From Chamber to The Hon'ble Sir Phiroze C. Sethna, Kt., O.B.E., Bombay.

The Committee at their last meeting considered the resolution tabled by Mr. H. D. Jasani re :

(1) Printing of the Bombay Telephone Directory in small types and in double columns ; and (2) Issue of a Gujarati edition of the Directory.

With regard to (1), the general sense of the Committee was that the new system of printing adopted by the Bombay Telephone

Co., was not satisfactory and that they should revert to the old system of printing the same.

With regard to (2), the Committee felt that the Telephone Co. should provide subscribers, if they so desire, with Gujarati copies of the Directory, as the bulk of the subscribers are Gujarati speaking public, and some time back the Company did issue a Gujarati edition of the Directory.

I am, therefore, directed by the Committee to request you to kindly convey the wish of the Committee on these two points to the Board of Directors of the Telephone Co. and do the needful in the matter.

From the Hon'bls Sir Phiroze C. Sethna, to Chamber

With reference to the resolution passed at the Chamber's Committee meeting on Tuesday the 7th instant I have communicated with Secretary of the above Company. He says the new Directory will not be issued until January. He has promised to bring up the matter before a full Board at one of its meetings as soon as he conveniently can. I will convey to you the Board's decision when arrived at.

From the Hon'ble Sir Phiroze C. Sethna, to Chamber, Bombay.

I have pleasure in sending you herewith copy of a letter received to-day from Mr. W. H. Parker, General Manager of the Bombay Telephone Co. Ltd. You will see therefrom that the Company have acceded to the Chamber's request to issue Gujarati editions of their Directory.

Mr. Parker has not stated so in his letter, but at the Board Meeting it was resolved that subscribers be asked in advance whether they will require an English or a Gujarati Directory, and a copy will be sent of the kind they ask for.

I trust the decision of the Telephone Directors will satisfy the Committee. It is not possible to accede to their request to avoid publishing the lists in two columns as they are now doing.

COPY.

My dear Sir Phiroze,

With reference to my letter of the 8th of August on the subject of Telephone Directories, I write to inform you that the Board have decided, in response to the representations made, to issue a Gujarati edition of the Directory twice a year. The matter is being gone into detail and it is hoped that the first issue will be made at or about the time when the next issue of the English edition is made.

I send this letter in duplicate so that you may send a copy on to the Indian Merchants Chamber if you so desire. The cost of the issue will be very considerable and I hope that members of the Chamber will assist by placing a share of their advertisements with the Company for insertion in it.

Yours sincerely,

W. H. PARKER.

No, 2070 dated 14th September 1928.

From Chamber to the Secretary, Bombay Telephone Co., Ltd.,BOMBAY.

The Committee are informed by the Hon'ble Sir Phiroze C. Sethna, Kt., O.B.E., that your Company have kindly acceded to their request to issue Gujarati edition of your Telephone Directory. I am directed by them to express their thanks for the same.

I am further directed to request you to be good enough to keep both English and Gujarati copies in stock and sell them at moderate price to those subscribers who may not have either English or Gujarati copies.

—: 0 :—

APPENDIX 120.

WEEKLY WEATHER REPORT.

No. S.-49 (7)-11932-A., Bombay Castle, 10th September 1928.

From the Governmant of Bombay General Deparment to Chamber.

I am directed to say that at present the Director General of Observatories publishes at Poona every Wednesday a Weekly Weather Report the contents of which, without the rain-fall maps, are re-published in the Supplement to the Gaztte of India as a Weekly Rainfall Summary. Specimen copies are enclosed* Owing in part to the transfer of the Meteorological Office to Poona, ten days now elapse between the publication of each Weekly Weather Report at Poona and the re-publication of the same information in the Gazette of India. It is doubtful, therfore, if any usefal purpose in now served by the publication of the Weekly Rainfall Summary in the Gazette of India. Before the summary is eliminated, the Government of India desire to know from the local Government if any inconvenience to the pubilc is likely to result from this step. I am to request that you will be so good as to favour this Government with the opinion of your Chamber in the matter.

No. 2121 dated 20th September 1928.

From Chamber to the Government of Bombay, General Department, BOMBAY.

I am directed by my Committee to acknowledge receipt of your letter No. S-49 (7)-11932-A, dated 10th September 1928, and state that they have no objection to the proposed discontinuance of the publication of the Weekly Rainfall Summary in the Gazette of India.

*Not printed. Vide file No. R. 78 of 1928.

APPENDIX 121.

CONTROLLING OF SPEED LIMIT OF MOTOR VEHICLES OUTSIDE CITIES AND TOWNS.

No. 618, dated 9th March 1928.

From Chamber to the Government of Bombay, Home Department, BOMBAY.

The attention of the Committee of this Chamber has been drawn to the indifference on the part of drivers of motor vehicles with regard to speed limit on main roads outside of towns and villages in this Presidency. Cases of serious accidents are frequently reported in the Press but so far the evil instead of being checked seems to be growing day by day.

My Committee think that this is a matter which requires to be immediately looked into. They will be much obliged if the Government will be pleased to inform them whether there are any Police rules and regulations at present for controlling the speed limit of motor vehicles on main roads outside of towns and villages in this Presidency.

No. 3465/2-E, Bombay Castle, 28th March 1928.

From the Government of Bombay, Home Department, to Chamber.

With reference to your letter No. 618, dated the 9th March 1928, I am directed by the Governor in Council to forward, an extract (Rule 20) from the Bombay Motor Vehicles Rules of 1915, pertaining to speed limits of motor vehicles on various classes of roads. I am to add that Government have at present under consideration the framing of a further rule to limit the speed of motor buses carrying more than seven passengers or over a certain weight outside the City of Bombay.

An extract (Rule 20) from the Bombay Motor Vehicles Rules of 1915.

"20. (1) No motor vehicle shall be driven at a greater speed than twenty miles an hour within the limits of :—

(*a*) the City of Bombay, and.

(*b*) any Municipality or Cantonment to which this sub-rule may be applied by the orders of Government.

(2) In such places as the District Magistrate may think necessary he may indicate by means of notice-board that motor drivers shall not allow the speed to exceed six miles an hour or such higher rate as may be shown on the board.

(3) In the fortress of Aden and in Sheikh Othman the speed of all lorries and omnibuses with a carrying capacity of over 5 passengers shall not exceed 12 miles an hour.

(4) The speed at which a heavy motor vehicle is driven on any public road shall not exceed eight miles an hour.

Provided that—

(*a*) if the weight of the motor vehicle unladen exceeds three tons, or,

(*b*) if the registered axle weight of any axle exceeds six tons or,

(*c*) if a trailer is attached to the heavy motor vehicle, save as hereinafter provided, the speed shall not exceed five miles an hour.

Provided also that—

If the heavy motor vehicle has all its wheels fitted with pneumatic tires or with tires of a soft or elastic material, and does not draw a trailer or draws a trailer which is so constructed and by partial super-imposition attached to the heavy motor car that at all times the weight upon the rear axle of the heavy motor car shall exceed the weight upon the axle of the trailer and which trailer has not more than two wheels in contact with the ground,

such wheels being fitted with pneumatic tyres or with tyres made of a soft or elastic materials, the speed at which the heavy motor vehicle may be driven on any public road shall not exceed—

(*a*) twelve mile an hour where the registered axle weight of any axle does not exceed six tons ;

(*b*) eight miles an hour where such registered axle weight exceeds six tons."

APPENDIX 122.

CIVIL AVIATION SCHEME FOR THE BOMBAY PRESIDENCY.

No. 1044, dated 25th April 1928.

From Chamber to the Government oi Bombay, Home Department, Bombay.

The Committee of this Chamber will be much obliged if the Goverument will be pleased to let them know whether they have formulated or have under consideration any scheme for the promotion of civil aviation in this Presidency.

Letter No. 0/12013M. Bombay Castle, 26th May 1928.

From the Government of Bombay, Public Works Departmen t, to Chamber.

With reference to your letter No. 1044, dated 25th April 1928 transferred by the Home Department to this Department under its No. 0-6419-E, dated 27th April 1928 I am directed by the Governor in Council to inform you that this Government have neither formulated nor have under consideration any scheme for the promotion of civil aviation in this Presidency.

APPENDIX 123.

LOTTERIES IN INDIAN STATES AND FOREIGN STATES OUTSIDE BRITISH INDIA.

No. 2080, dated 14th September 1928.

From Chamber to the Government of India, Department of Commerce, SIMLA.

The attention of my Committee has been drawn to the fact that lotteries are set up in foreign States as well as in Indian States outside British India, and in some cases no part of the proceeds goes to any public object. Particulars of these lotteries are sent down to British India. They are advertised and canvassing agents collect the funds. These agents are known to distribute the prizes in some cases.

My Committee are aware that no lottery can be set up in British India without the permission of the Government, and any unauthorised collection for lottery would render a person criminally liable. They cannot understand how what is considered objectionable on the part of the British subject in British India becomes permissible when done on behalf of lotteries started outside India. It would appear that Section 294 A of the Indian Penal Code, which enables the authorities to take action, is not availed of, and for this there must be some reason of policy, and my Committee would be obliged if Government would enlighten them on the subject.

On general grounds, viz. that the victims, who are lured by these lotteries, are most ignorant mass who can ill-afford the monies which they waste on this purpose, my Committee would like to see some definite and stronger action taken in this regard by Government than hitherto. It cannot be said that Government have not the necessary information as to activities of this kind, or that they cannot prevent these activities. My Committee would, therefore, like to know whether the policy adopted by

Government is dictated by any reason of State. If there are no such reasons, my Committee would request Government to be pleased to consider this subject and to devise some means that would put a stop to activities of a kind, which are rightly tabooed in British India.

No. D. 2084-P/28, dated New Delhi, the 15th November 1928.

From the Government of India, Foreign and Political Department, to Chamber.

In continuation of my letter No. D.2084-P, dated the 1st instant, on the above subject, I am directed to say that the Government of India view with disfavour the holding of lotteries in Indian States, and invariably discountenance the organisation of such lotteries when they come to notice. The Darbars are fully aware of the policy of Government and offences in this matter are infrequent and will it is hoped eventually cease. The Government of India hold similar views as regards lotteries conducted in British India from Foreign States outside British India, and would be prepared in any case which might come to their notice to take such preventive action as might in the circumstances be feasible. As your Chamber are doubtless aware, the institution of criminal proceedings against individual offenders is primarily the concern of the Local Government.

No. 2732 dated 1st December 1928.

From Chamber, to the Secretary to the Government of Bombay, Home Department, BOMBAY.

The Committee of this Chamber had recently addressed the Government of India regarding lotteries that are started in foreign States as well as in Indian States outside British India ; and tickets of which are sold in British India with a view to collect funds and distribute prizes. They requested Government to be pleased to devise means to stop such activites on the part of the

outsiders. The Government of India in reply informed them that the institution of criminal proceedings against individual offenders was primarily the concern of the Local Government.

I am now directed by my Committee to address the Government of Bombay on this question. Government no doubt are aware that lotteries are started in some Indian States outside British India. They are declared illegal in British India, and yet apparently are allowed free scope in parts of this Presidency. Such a state of things cannot be viewed with equanimity and Government should think of devising means to check the growing evil at an early date.

My Committe hope that Government will be pleased to see that proper pclice investigations arc made to find out the offenders and steps taken to weed out the abuse.

No. 1882-III-E, Bombay Castle, 21st December 1928,

From the Government of Bombay, Home Department to Chamber.

With reference to your letter No. 2732. dated the 1st/3rd December 1928, on the subject of the sale of tickets in British India of lotteries started in Indian and Foreign States, I am directed by the Governor in Council to state that prosecutions for a breach of the law in this respect are undertaken by the policy when there is clear evidence to support a charge ; but it is usualle difficult to obtain evidence that would be sufficient for a successful prosecusion. I am to add that the calls upon the police are so many that they cannot often be spared for the investigation of offences of this kind and the Governor in Council does not see any prospects of a change in this respect unless funds for a large increase in the personnel of the police could be found.

APPENDIX 124.

PUBLIC COMPLAINT RE GETTING OF POSTAL STAMPS FROM THE POST OFFICES, AND INADEQUATE SUPPLY OF ONE ANNA ENVELOPES.

No. 1807 dated 8th August 1928.

From Chamber to the Postmaster General, Bombay Presidency, BOMBAY.

The attention of the Committe of this Chamber has been recently drawn by one of their members to the difficulties experienced by the public in getting postal stamps from the various post offices in the City. The different post offices of the City transact business only for a limited number of hours during the day with the result that the public find it extremely difficult to obtain postal stamps outside the working hours. It is true that the public can get the stamps from the G.P.O. upto 7 p m. in the evenings, but even there after 5 p.m. (S.T.) stamps of over Rs. 5/- or so as a rule are not generally given to the public. Over and above that, Sundays are observed as holidays and the public find it extremely difficult to procure postal stamps on Sundays. The Public are, therefore, obliged to get postal stamps from bidiwallas, Iranis, etc., and have to pay 25% more for the same. My Committee will, therefere, feel obliged if you will be good enough to take necessary steps to remove this just grievance of the public at an early date. My Committee would like to suggest in this connection, that provision should be made by the Postal authorities for vending postal stamps at various restaurants, etc., of the City without charging any extra price for the same. You are no doubt aware that on the Continent and in England automatic machines are installed in promient places, so that the public can get stamps by placing necessary coins in the slots of the machines. My Committee think that that system might well be introduced here also with advantage and convenience to the public. If the system has worked successfully in big cities of

the world, there is no reason why it should not prove so in cities like Bombay.

My Committee would take this opportunity of inviting your attention to the fact that one-anna commercial size envelopes also are not frequently obtained from the Post Offices. They will feel obliged if you kindly see that these envelopes are kept in good stocks so that the public may get them whenever required.

No. G. A. 102, dated the 15th September 1928.

From the Postmaster General, Bombay, to Chamber.

In continuation of this office letter No. G. A. 102 dated the 13th August 1928, I have the honour to say that on week days postage stamps and postal stationery are available to the public at the General Post Office, at any time between 7-30 A.M. and 7-30 P.M. and similarly at all the delivery town sub-offices of Bombay, their sale is made from 7-30 A.M. to 6-90 P.M. It is only at the no-delivery town sub-offices that the restricted hours of 10-30 A.M. to 5-30 P.M. are being observed. It will be seen that the hours are sufficiently long and have been fixed with due regard to public convenience.

2. On Sundays and Post Office Holidays, no business is generally done with the public to meet whose convenience however, the General Post Office is kept open for sale of stamps for 3 hours in the morning and 2½ hours in the evening, from 7-30 A.M. to 10-30 A.M. and from 4 P.M. to 6-30 P.M. The delivery town Sub-offices, too, attend to the public who require stamps, three hours in the morning (7-30 A.M. to 10-30 A.M.) and two hours in the evening (3-30 P.M. to 5-30 P.M.).

3. No necessity is being felt for employing the agency of restaurants and shopkeepers for the sale of stamps and if inspite of the present arrangements any case of hardship is brought my notice I shall be glad to give it due consideration.

4. As regards the suggestion to instal automatic machines, in prominent places, for the sale of stamps, the question was examined two years ago but had to be dropped.

5. Lastly, as regards the indequate supply of one-anna commercial envelopes the matter is under examination by the Director-General of Posts and Telegraphs.

APPENDIX 125.

REPORT OF THE MARINE COURT ENQUIRY INTO THE DISASTER OF S. S. "TUKARAM" AND S. S. "JAYANTI" AND THE GOVERNMENT RESOLUTION THEREON.

No. 972, dated 19th April 1928.

From Chamber to the Government of Bombay, Marine Department, BOMBAY.

The inquiry into the unfortunate loss of the steamer Jayanti and Tukaram ended about three months ago. My Committee would feel grateful if you would let them know wether the Report of the Marine Court has been submitted to the Government and if it has been submitted, the reason why it has not still been published, They would also like to know the probable date on which such a Report will be published for the general information of the public. This inquiry is being made as the sinking of these two ships was attended by a very serious loss of human lives and as there are several questions of public importance connected with this inquiry.

No. 99/806/M, Bombay Castle, 8th May 1928.

From the Government of Bombay, Marine Department, to Chamber.

With reference to your letter No. 972, dated the 19th April 1928, I am directed by the Governor in Council to say that the proceedings and report of the Marine Court of Enquiry appointed to investigate the circumstances attending the loss of the S. S. "Tukaram" and S. S. "Jayanti" have been submitted to Government and that orders thereon will issue shortly. I am to observe, however, that it is not usual to publish such reports for the information of the general public and to add that copies of the findings can be obtained on payment from the Court of the Chief Presidency Magistrate, Bombay.

No. 1230 dated, 18th May 1928.

From Chamber to the Government of Bombay, Marine Department, BOMBAY.

With reference to your letter dated the 8th May 1928, No. 99/806/M, I am directed by my Committee to submit that looking to the serious nature of the occurance in which the lives of so many people were lost and the intensity of the pulic feeling on the subject, the proceedings and reports of the Enquiry Committee appointed by the Government should be published for the information of the general public. My Committee will be glad if Government will be pleased to accept the suggestion and publish the proceedings as well as their orders thereon for general information at an early date.

No. 2156, dated 25th September 1928.

From Chamber to the Government of Bombay, Marine Department, BOMBAY.

I am directed to invite your kind attention to this Office letter No. 1230, dated 18th May 1928, which remains unanswered uptil now.

My Committee beg to reiterate that looking to the serious nature of the occurance of the sad disaster to S. S. "Jayanti" and S. S. "Sant Tukaram" in which so many lives were lost and the intensity of the public feeling on the subject, the proceedings and reports of the Marine Enquiry Committee appointed by Government should be fully published for the informaiion of the general public. The cost of printing the same will not be very great and Government can recover the same by selling them at moderate price. My Committee, therefore, request Government to be pleased to get the procedings and report of the Marine Enquiry Committee printed and supply the same to to the public at a moderate price.

Hoping this will receive an early and favourable consideration.

No. 99/M, Bombay Castle, 9th October 1928.

From the Government of Bombay, Marine Department, to Chamber.

With reference to the correspondence ending with your letter No. 2856, dated the 25th September 1928, regarding the publication of the proceedings and reports of the Marine Courts of Enqiry appointed to investigate into the circumstances attending the loss of the S. S. "Sant Tukaram" and S. S. "Jayanti," I am directed by the Governor in Council to invite your attention to the Press Note on the subject issued on the 28th August 1928, by the Director of Information, indicating briefly the orders passed by the Government of Bombay on the various recommendations made by the Marine Courts of Enquiry, and to state that as summaries of the proceedings and reports in question have already appeared in the local newspapers and as copies of the Court's findings can be obtained on payment from the Court of the Chief Presidency Magistrate, Bombay, Government do not consider that any useful purpose will be served by keeping printed copies thereof for sale to the public as requested by your Chamber

RESOLUATION OF THE GOVERNMENT OF BOMBAY RE : MARINE COURT ENQUIRY.

In December last year Government appointed a Court of Enquiry to enquire into the circumstances attending the loss of the S. S. " Sant Tukaram " on the 12th of November 1927. The Court of Enquiry consisted of Mr. S. S. Rangnekar, Chief Presidency Magistrate, Capt. Cockburn Dickinson, Master of the S. S. Mirzapore, and Capt, Palmer, Manager of the Bombay Steamships. The report of the Court was duly submitted to Government and contained certain recommendations which have been considered by Government.

With regard to the observations made by the Court of Enquiry in connexion with the despatch and delivery of weather telegrams of an urgent nature, Government anticipate that with the transfer of the Meteorological Office to Poona there will be closer touch between the Meteorological Department on the one hand, and the Port Office nd the Shipping Companies in Bombay on the other. The Director General of Posts and Telegraphs has been requested to grant a priority right for the use of the telephone trunk line from Poona to the Port Office, Bombay so that any special message can be communicated urgently to the Port Officer by telephone and confirmed afterwards by telegram. All urgent weather telegrams will have a special prefix, and on receipt of such a telegram it will be immediately telephoned to the Port Officer, the Assistant Port Officer and the Harbour Master, and Government trust that the above procedure will enable the Port authorities to hoist warning signals as expeditiously as possible. They do not consider feasible the suggestion that the Port authorities should, on receipt of urgent weather telegrams, warn all shipping companies by telephone, and also the suggestion that the private shipping companies should be compelled to obtain such telegrams direct from the Meteorological office on payment.

As regards the position of the Port Trust, Government are of opinion that, if requested by any vessel in distress or by its agents, the Port Trust should, as it does at present send out

the assistance provided suiiable craft is available. The Port Trustees should, however, be reqested to authorise the Port Officer, Bombay, to take such action as he may consider necessary, in anticipation of the sanction of the Chairman, with a view to render assistance to vessels in distress or in the case of ship-wreck. The Court suggested that every steamer, except such as may be exempted by Government, should be provided with rafts or other buoyant apparatus sufficient to support all passengers not provided for in the lifeboats. The Court thought that more importance should be attached to buoyant apparatus than to any excess of lifeboats. On this point Government are of opinion that the revised draft rules regarding life saving appliances which are at present under the consideration of the Government of India amply provide for the safety of passengers on board a home trade pasesnger ship.

As regards the Court's suggestion that every steamer except such as may be exempted by Government, should be provided with a wireless apparatus, Government desire to point out that the question of the revision of the rules now in force are under the consideration of the Government of India to whom the local Government have indicated their views in the matter. The Court's suggestion that every steamer not exempted by Government should be supplied with a barometer or aneroid is under the consideration of the Government of India. Government do not consider that the suggestion of the Court that the Port Officer should be empowered to prevent the sailings of all steamers in foul weather conditions is feasible.

A similar enquiry was held by the same Court to enquire into the circumstances attending the loss of the S. S. Jayanti. Most of the recommendations made by the Court in the case of the Tukaram were applicable to the Jayanti, and the Court did not consider it necessary to repeat them. The Court, however, state that it was for consideration whether, apart from the duty of a sailor, a specific obligation should not be imposed upon the Royal Indian Marine or any authority to send out vessels to the help or rescue of a ship reported as missing or in distress.

In view of the fact that the Royal Indian Marine authorities have, when a relief ship is available, never failed to assist when aware of an accident at sea, Government do not consider it necessary to issue any specific orders in the matter.

APPENDIX 126.

QUARTERLY GENERAL MEETINGS OF THE CHAMBER.

Speech of Mr. H. P. Mody, President, Indian Marchants' Chamber, at the first Quarterly General Meeting of the Chamber held on Saturday, 28th April 1928.

Gentlemen,

In ordinary course it would have fallen to the lot of Sir Shapurji Billimoria to preside on this occasion and to place before you a review of the last three months' work done by your Committee. Owing to his departure for Europe, however, the responsibilities of the Presidentship of the Chamber have devolved on me, I hope, with your co-operation, I may be able to promote the interests of this body to which we have the privilege to belong.

Reserve Bank Bill.

Among the outstanding events of this first quarter may be mentioned the Reserve Bank Bill. I need not enter into a detailed history of the various incidents which led up to the final debacle with regard to this issue, as these have been sufficiently dealt with by my predecessor in office. The attitude of your Committee all along has been that the Bank should be a State Bank, and they would rather that the country went on without a Central Bank than have one started and managed with share-capital. This was the recommendation approved by the Joint Select Committee, and by the Assembly when he Bill first came before the House. Unfortunately the

Government tried to go behind this decision of the Legislature by having an entirely new Bill drafted after consultation with the Secretary of State for India. It constituted an encroachment on the rights and privileges of the Legislature. Government reckoned, however, without the President of the Assembly, who promptly refused permission to Sir Basil Blackett even to introduce the new measure, as long as the old Bill was before the House. The result was that the old Bill was taken up again from the stage at which it was left in the previous session. The main issue on which the struggle was waged between the Government and the popular parties was the representation of the Legislature on the Directorate of the Central Bank. The popular parties suffered a defeat with regard to this question which formed a part of the main clause, but when similarly the Government were defeated with regard to the whole Clause 8 relating to the Directorate, the Finance Member withdrew the Bill entirely, leaving the position as it was before the Bill was introduced. Your Committee do not think that the business community has got anything to lose through this contretemps. In fact, the position is much better than what it would have been if a shareholders' bank had been foisted upon the country under the New Bill prepared by Sir Basil Blackett in consultation with the Secretary of State for India. One of our old contentions that the Secretary of State for India should interfere as little as possible with affairs in this country is further strengthened by the way in which things were handled with regard to the Reserve Bank question. The Imperial Bank Agreement is due for revision in 1931, and it may be expected, that some solution or other of the question will be found before that date.

MATCH INDUSTRY

The Tariff Board enquiry with regard to the protection to be given to the Match Industry came in for a good deal of consideration at the hands of your Committee. This industry is one of our most promising industries. You will be able to gauge its importance from the fact that the import of matches in the year just preceding the war was of the value of Rs. 89,64,765.

which rose to as much as Rs. 2,03,80,469 in 1921—22. Different match factories began to be established about this time and in consequence a large reduction in the imports took place. It is estimated that Indian match factories are at present yielding a production which is about 60% of our total consumption. All these factories, however, cannot be styled as purely Indian concerns as the mammoth Swedish Trust is controlling 4 factories with a production of 3,302,350 gross boxes which means 33% of the total production in the country. In 10 years this Trust obtained control of one-third of the world's match production turning out 10 billion boxes a year. It is calculated that the company supplies between 50 to 60 per cent. of the world's export trade in matches and holds a strong position in most markets in the world, more especially in Holland, Belgium Scandinavia, Germany, France, Polland, Sweden, Peru, the Balkans, Czechoslovakia, Japan, India and Burma, and through subsidiaries, the United States. Your Committee put forward their views before the Tariff Board in a strong and unequivocal manner saying that the principal protection required by the indigenous Indian concerns was against the operations of this gigantic Trust, and for that they suggested the adoption of several measures, including among others, a licensing system imposing restrictions on the production of different manufacturers by assigning each a particular quota of production. It was also proposed that the Government should ask the Swedish combine to get itself registered in India with a Rupee Capital with a stipulation that 75 per cent. of its capital should be Indian-owned in its true sense and three-fourths of its Directors should also be Indians. The Tariff Board have, I believe, compiled their report with regard to the match industry, and it remains to be seen what recommendations they have made and what course the Government of India propose to take with regard to these recommendations.

OIL QUESTION.

Speaking of the Tariff Board brings us to another important question, *viz*: the recent reference by the Government of

India to the Tariff Board with regard to the rate war which has recently been set up between two rival oil groups and the protection, if any, required in consequence for the indigenous oil concerns. Your Committee have strongly protested against the precipitate haste with which the reference was made to the Tariff Board by the Government. Looking to the fact that the Cotton Textile Industry, though suffering for a long period from the effects of undue competion, and regarded as the greatest national industry of the country, had to carry on a prolonged and persistent agitation before Government admitted a 'prima facie' case had been made out; it is rather strange that the same Government should have succumbed to the agitation of a section of the oil interests in less than three months! Even if such an enquiry is necessary the exclusion from its terms of reference of the cost of production is wholly indefensible and unjustifiable. Whenever any section of the Indian industry asks for protection the stereotyped reply is generally given by the Government that the protection, if granted, would affect adversely the interests of consumers. In the present case, they are mostly the poor and the middle-class people, who have, on the showing of the oil companies themselves, benefited to the extent of 4 crores by the present rate war. Their interests are of prime importance and should not be lost sight of. It is, therefore, a matter for censiderable regret that the Tariff Board should have fixed Maymyo as the place where witnesses, if any, will be called upon for oral evidence. It may be that Maymyo is a centre where the oil interests are and can be represented satisfactorily, but it is surely not the place where public bodies would choose to send their accredited representatives as witnesses; nor a place where individuals interested in this question on behalf of consumers in general would care to go. The time allotted again for the enquiry is very short. In fact hardly a week has been allotted by the Tariff Board for the submission of written evidence even by Chambers of Commerce and other representative institutions. Your Committee have adressed the Tariff Board and the Government on these matters, and have put up a strong case before the Hon'ble the Commerce

Member during his recent visit to Bombay. As to the inclusion of the item of cost of production in the terms of reference to the Tariff Board, your Committee are given to understand that the Board can direct their enquiry into this question even though it is not referred to them. It would surely be extraordinary if a factor which was given so much importance, and rightly too, by the Tariff Board in the case of the Iron and Steel and other industries should be considered as unimportant and irrelevant with regard to the oil enquiry. It is not merely the world parity which should determine the price of oil at the ports; the cost of production is all-important in enabling one to judge if the oil companies were really in distress, and required protection at the expense of the consumer.

TEXTILE INDUSTRY.

Coming to the question of the Cotton Textile Industry, we are passing through one of the most difficult periods in its history. During the last few days it has again been overtaken by one of the those general strikes which are coming on periodically like some infectious disease. It is inconceivable that any one connected with the industry either in the capacity of employer or employee should do anything which would accentuate the difficulties of the present position and bring about disruption and even economic ruin to the industry. And yet during the last decade we have had three or four general strikes of considerable duration and we are witnessing again what may turn out to be a long-drawn struggle. The Tariff Board after an exhaustive investigation recommended several measures which required to be undertaken by the millowners for increasinig the efficiency of the employees and thereby effecting a reduction in the workin, costs. One would expect some sort of responsive co-operation if I may use this much abused term, from the employees, in view of the difficulties of the industry. Instead, as soon as any attempt is made in this direction, Labour led by a few malcontents and by people whose business it is to foment trouble rises in opposition to the most modest measures of reform. It is significant to note that the particular group of mills from which

the strike originated had not adopted any concerted measures leading to an increase in the work of the hands or a reduction in their wages. The tragedy of the situation is that the mill-hands should in most cases be led astray by self-styled and self-advertising "leaders", who, without the slightest understanding or appreciation of the needs of the situation, drive masses of workmen to paths which are ruinous to them and injurious to the general interests of the industry. The Trade Union movement has come to stay in this country, and the millowners, as a body, recognise it and are ready to help it in every way. But a genuine Labour movement must presuppose leaders who, if not themselves belonging to the working classes should have something in common with them, and should possess some acquaintance the working conditions of the industry to enable them to lead with the men in their fights for their rights and privileges. Let us hope that if the work people have any legitimate grievance, they will lose no time in formulating them, and representing them to their employers through leaders who command their confidence and whose bona fides cannot be called in question by any one. Before I leave this subject, I should like to express it as a deliberate opinion that in so far as the present strike is a result of the unemployment among the workpeople which the depression in the industry has brought about, Government by their persistent refusal to protect the industry against unfair competition and to restore it to health and vigour must be saddled with their proper share of responsibility for the the troubles which have arisen.

MILL STRIKE AND GOVERNMENT'S EXCHANGE POLICY.

These strikes and the severe depression through which we have been passing have once directed attention to the exchange policy of the Government. The Indian business and public men who had espoused the 1sh. 4d. ratio had in so many words given a warning to the Government about the reactions on trade and industry if they persisted in their currency and exchange policy. There is general agreement with Mr. Jamsetji Wadia, who said recently in an interview to the Press that the

root cause of the present industrial depression was the 1sh. 6d. But it will be too much to hope that what is happening would have the slightest influence on Government or would induce them to consider afresh currency and exchange policy, which was foisted upon the country in the teeth of considerable opposition and was forced through the Legislative Assembly by the phalanx of votes which Government have always at their back.

Speech of Mr. Laxmidas Rowjee Tairsee, President of the Indian Merchants' Chamber, at the Second Quarterly General Meeting of the Chamber held on Saturday, the 28th July 1928.

Gentlemen,

It falls to my lot, under the circumstances you know, to present the Second Quarterly Report to you at this General Meetting. I am extremely sorry, and hope you will share the regret with me, that Mr. H. P. Mody, President of the Chamber, since the last 4 months, has been obliged to resign. Under our Rules the President, who goes out of India far more than one month ceases to hold his Office, and so Mr. Mody had to send in his resignation. During the short time that Mr. Mody was President of the Chamber, he showed his high abilities and capacity for work in a remarkable manner. He was a successful President of the Corporation and also of the Bombay Millowners' Association, when he was elected as President of the Chamber, and in these 4 months he justified the reputation he had earned of being a capable and wise administrator. Members of the Committee had ample opportunity of coming into close contact with his work as President. They will testify to the painstaking earnestness and energy which he put into his work. The delicate and difficult task of carrying on negotiations on behalf of the Chamber with regard to the Bardoli question fell to him and he did his duty ably and conscientiously. The Committee have put on record their appreciation of his service and I am sure you all also will wish me to convey to him the oss the Chamber has suffered through the early termination, if not the end, of his Presidentship.

The resignation of Mr. Mody led to a vacancy in the Presidentship of the Chamber, and I am deeply thankful to you all for unanimously electing me to the Chair. It is a case of force of circumstances too much for a man. I hope I will, with your co-operation, be able to give you satisfaction. For me, I am thankful for this period of education, which I value and hope to profit by the same.

MILL STRIKE.

The whole of the last quarter has been a period of anxiety and unrest and unfortunately we are not still out of the woods The Mill Strike, which began on the 16th April last, has proved to be the longest strike the Textile Industry has had to face during its life of almost half a century. During these three months, Labour has lost, in wages, alone, the stupendous amount of about Rs. 3 crores, and the shareholders must have lost in expectant profits, a good amount. The prosperity of our City, and partly the Presidency, is dependent very largely on the Cotton Textile Industry. This industry has been passing through a period of almost unprecedented depression, if not critical crisis, for the last 4 or 5 years which was accentuated last year by the legislation placing on the Statute Book the ratio of 1sh. 6d. for a Rupee in place of the old 1sh. 4d. Warnings, and very serious too, were given from responsible quarters to the Government against the disastrous effects of the new ratio and the prophecies have come to be true, unfortunately, within a shorter period than expected. Even before this, the industry was finding it difficult to keep its head above water, and representations were made to the Government on several occasions to take steps to save the industry before it was too late. You all know the sad history of the reference of the question to a special Tariff Board, its mild and moderate, if not hesitating report and the halting action by Government on this report. Ultimately, Government under pressure from the Bombay Millowners, agreed to give semblance of protection to the indigenous yarn which is insufficient to stem the tide of disaster which is flowing in and which merely shows how far Government are

still from recognising the needs of the Textile Industry. The last official year ending 31st March 1928 showed heavy imports of piecegoods and yarn worth Rs. 65·16 crores. How great the depression is will be apparent from the fact that though the Mill Strike has continued for the last three months, there has been no reduction in the stocks held by Mills and no appreciable rise in the prices for cotton cloth, inspite of appreciable rise in raw product. The number of Bales of cloth in Mill godowns was 159,000 when the Strike began and 109,000 at the end of June. Government not only refused to give a substantial measure of protection, but saddled the industry, on the contrary, with the additional and iniquitous burden of the new ratio. No wonder the adjustment of industrial conditions to the new ratio coupled with other causes has led to a strike in Bombay and the industry, as a unit, is passing through a period of distress and misery.

It is sad to note that neither the employers nor the emyloyees nor the Government have made any serious efforts to put a stop to the strike, and the strike is taking its moloch toll every day and continues, as if it was no one's business to take notice of our national industry. I am glad, that realising distress amongst the labouring classes, the President of the Bombay Municipal Corporation, euphemistically called its Mayor, has opened a Relief Fund, to which I draw, under direction of your Committee, your attention requesting one and all to subscribe.

The "germ" which is responsible for the strike fever in the City, is seen to be breeding from one end of the country to the other. It is nuisance to use language of the Municpal Act, to check which preventive measures must be taken. My own view is that concerted measures must be taken by Chambers of Commerce and cognate bodies to fight disease, whether by themselves or in concert, and necessarily with the co-operation of Government. To allow the industrial unrest to continue any longer is to undermine the very foundations of the whole of the industrial structure of the country. To take one instance, the strike at Jamshedpur threatens to dispossess India f a National Industry, which has been built up after years of

strenuous and self-sacrificing work by the renowned firm of the Tatas, and to the development of which the taxpayers of the country have paid no less than Rs. 208·70 lakhs for the three years 1924–25 to 1926–27, and are still paying indirectly about Rs. one crore annually. We, as representatives of trade and industries, cannot afford to adopt "laissez fairc" attitude till the whole of the industrial farbric crumbles to pieces, nor should the Government, even in its own larger interests, allow the new industrialism in this country to die thus gradually of internal struggles and take no action. We have urgent need of inspired capitalists and no less inspired labour and of Government of far-sighted vision, who see beyond immediate requirements and are not unsympathetic to aspirations of national industrialism. Unless both capital and labour, in the words of Tennyson, realize : "half without you, with you the whole", healthy progress is impossible.

As a friend of labour, I must warn it that if it believes that it can achieve its aspirations by methods of terror such as we had recently in Bengal and Madras, it is seriously mistaken. On the other hand, such methods must recoil on its head and it must forefit the sympathy of its friends and well-wishers,

COASTAL RESERVATION BILL.

A question, which is drawing the attention of the commercial community, both Indian and European, is the Coastal Reservation Bill introduced by our colleague, Mr. Sarabhai Haji, in the Legislative Assembly which is being, circulated for opinion of the commercial bodies. This Bill threatens to divide the commercial community sharply into two camps. All the European Chambers of Commerce have condemned the Bill, while all the Indian Chambers of Commerce have strongly supported it. It is a fact which cannot admit of doubt, that our aspiration to have an Indian Mercantile Marine cannot be realised unless at least our Coasts are reserved for Indian Shipping. Following the Report of the Indian Mercantile Marine Committee, Government have provided facilities now for the training of Indian boys in navigation ; but such a training cannot have, in the very nature of

things, satisfactory results, till we have more of Indian ships and this again we cannot secure unless our Coasting Trade is reserved for transport purposes to Indian bottoms. I do not propose to enter into any details of our representation, as it was fully published in public papers, and which has also appeared in the current issue of the Chamber's Quarterly Journal. I shall only say this : that all the arguments advanced by His Excellency Sir Charles Innes (then Hon. Sir Charles Innes, Member of Commerce, Government of India) have been fully answered by us. Some critics of the measure appear to lay too much stress on what they call, the aspect of expropriation of this Bill. I do not think that the Bill should be regarded from this viewpoint at all. Every country has the natural and undeniable right of having her mercantile marine and several countries have adopted the expedient of the reservation of the coastal traffic for their own national shipping. The question of expropriation, therefore, does not arise, and it is merely started to draw a red herring across the trail, and philosophers of this school of thought may well be referred to preach this doctrine to their own countrymen and watch the reception their new fangled notion meets with.

OIL ENQUIRY.

A question of great commercial and public importance, *viz*: the Oil quesfion, was also considered by your Committee. For the last several years different oil groups had been operating in this country on basis of entente cordial, with the result that the general public had to pay monopoly prices. A few months back, the two oil groups, strangely enough, fell out, on the question of colour of the oil, one side being the American group and the other the Royal Dutch Shell and the Burma group. A rate-war ensued and consumers stood to gain about Rs. 4 crores, while the competition lasted. The Dutch Shell group with the Burma oil companies squealed at the turn the events had taken and appealed to the Government for substantial measures of protection. It is an index to the state of things prevailing in this country that a Governmennt who philosophically watched the Cotton Textile Industry of Bombay going from bad to worse

and provided but a meagre protection last year, should have held an immediate enquiry by the Tariff Board into the claims of oil companies, large portions of which are not geographically Indians and from capital point of view also hardly so. Your Committee strongly protested against the nature, scope and method of enquiry contending that no case was at all made out for such an enquiry by the Tariff Board, as the said companies were bursting with profits. The Government, however, did not relax, and the Tariff Board went on with their investigations which were to be completed in a short time in such remote and far-off places like Rangoon and Maymyo, despite protests of your Committee and other commercial bodies for conducting the enquiry not only in Burma but at principal centres in India. It was not merely the oil interests which were concerned with regard to such an enquiry but also the interests of consumers, and it was surely in these interests that the Tariff Board should have taken evidence at principal centres of the country. The Tariff Board, however, have taken evidence in Burma, have completed the enquiry, and, so far as information goes, have submitted their Report to the Government. And it now appears that the two competing oil groups have made up their differences and are said to have intimated to the Government that no report of the enquiry by the Tariff Board need be published. It is not known as yet what the Government think of this polite request. It would be extremely unfair and unjust now that the enquiry has been made and the report submitted, not to publish it. Your Committee are writing to the Government requesting that the Report be published, so that the public can have an opportunity to know what were the claims of the different contending parties and how far the Tariff Board had considered these claims favourably or otherwise. It is essential that full light should be thrown on the question, so that in the event of any future war between the two oil groups the public should know how far the contentions of each party were based upon purely selfish motives and how far they were guided by the interests of the country. One of the reasons alleged for the enquiry was that the American

group was dumping " red" Soviet oil on our market. It was thus the color of the oil which was the bugbear. Now that the competing oil groups have made up their differences, I would be really surprised if the color of the oil has not changed from blood red to aristocratic blue.

BARDOLI.

The principal topic of interest during the quarter under review was the Bardoli question. Mr. Lalji Naranji, representative of the Chamber on the Bombay Legislative Council, asked your Committee for mandatory instructions as to what line of action he should adopt regarding the request made by the leaders of one or two parties in the Council to the different members to send in their resignations as a protest against the policy adopted by the Government regarding the Bardoli question. The Committee before issuing a mandate, if any, thought it more desirable that the President should, in the first instance, address His Excellency the Governor with regard to this matter than that our representative should send in his resignation at once. There was a lengthy correspondence between H. E. the Governor and the President of the Chamber, into the details of which I do not think it necessary to enter here, as the whole of it was published in the Press for general information. The Committee appointed the President, Sir Purshotamdas Thakurdas and Mr. Lalji Naranji, as their representatives for carrying on negotiations. All these three gentlemen devoted a considerable part of their valuable time to this delicate and responsible mission. Your Committee wished that a way would be found out of the impasse to the satisfaction of all the parties concerned. I deeply regret that it was not found possible to bring about a compromise, and Mr. Lalji Naranji, on his own initiative, resigned. It would appear from His Excellency's speech that the door is not finally closed to settlement. Let us hope that the Bardoli situation may not develop into one of the worst crises in our provincial history and I look forward to sympathy on one side and statesmanship on the other to find a satisfactory

solution. Surely, sympathy and statesmanship should not be at such a discount in our Presidency that we cannot find out a via media out of the situation, which, I sincerely hope, may not end either in Jallianwalla Bag or Paniput. I cannot but a y my humble tribute of admiration to the spirit which actuates the Bardoli peasantry and their popular leader.

The Bardoli issue, I may opine before I close, is not as simple as it appears on the surface. Without pronouncing any opinion about the particular points now at issue, it may yet be said, before a body of practical businessmen, that all these points are relatively matters of detail. The real fundamental issue, I venture to point out, is scarcely yet perceived in its fullness and gravity by the parties to the present dispute. I looked forward, and I confess invain, to finding a clear reference to this real issue in the pronouncement made by His Excellency the Governor of Bombay before the Legislative Council on Monday last, much less could one expect any reference to this basic issue in the pronouncement of less-informed personages. This issue, to my mind, consists in the fact that the entire land revenue system and the guiding principle now underlying it, needs a wholesale revision, and when that revision is taken in hand, problems will arise not only of a financial but also of a most serious constitutional character. As I look at it, it seems to me that though the land revenue is virtually indistinguishable from a direct tax on the income of a citizen, it ignores entirely the basic condition of all direct taxation, viz: that the taxpayer must at least be allowed an exemption from taxation for a minimum of income sufficient for bare subsistence. That minimum is fixed in the case of the income-tax at Rs. 2,000- per annum for each taxpayer, but in the case of the land revenue, as levied at present, no exemption whatsoever is allowed to the taxpayer for the barest of bare subsistence. The State seems to regard it as utterly immaterial, whether after paying or even before paying the tax, the taxpayer has any ability or not to pay the tax. The ability of each landowner or Khatedar to pay the tax and yet obtain sufficient to carry on a bare human existence for himself and his family apparently is no concern of

the Government. On this reading of the situation, as I read it, it is not merely the Bardoli assessment but, in fact, any assessment whether old or revised, that requires careful scruitiny. You will realise then, Gentlemen, that the Presidency is brought by Bardoli face to face with the question not of the prestige of the Government or amour propre of its popular leader, but with the much bigger question of the agriculturist population as a whole. For, as things now stand, out of a total ordinary revenue of somewhere near Rs. 16 crores the land revenueforms as much as 35 per cent. Now, if this revenue has to be modified, those who have to carry on the Government of the Presidency might well ask, as to how this deficit is to be made good. The question becomes more serious inasmuch as another considerable source of revenue, viz. Excise, the Presidency is pledged to abandon within a definite period of time. If this deficitis to be made good at all, either new forms of wealth will have to be discovered for taxation or the existing taxation redistributed between the Presidency and the Central Government. In other words, the entire financial system of India as a whole, both with regard to the revenue as well as expenditure, Central as well as Provincial, and all the constitutional provisions relating thereto, demand an immediate consideration and revision. Before a body of men of affairs,like our Chamber, this point needs only to be mentioned for its significance and gravity to be understood, and therefore the hope may be expressed that whatever future steps this body or its Executive Committee feel inclined to take in this matter, it will have regard not only to the surface but will have to consider the essentials of the matter. I need hardly add that in such a grave issue of life and death to an entire Province, ill-timedultimatums and futile challenges ought to have no place, however exalted or popular the personages concerned may be. I, therefore, appeal to all the parties concerned to set aside all inopportune, irrelevant considerations of prestige or personality and approach the matter in the only spirit in which it can be solved; and I hope that my appeal, even now, is not too late.

Speech of Mr. Laxmidas Rowjee Tairece, President Indian Merchants' Chamber, Bombay, at the Third Quarterly General Meeting of the Chamber held on Saturday, the 27th October 1928 :—

Gentlemen,

Bardoli.

Addressing you last at the second Quarterly General Meeting of the Chamber, I concluded by saying ; " I appeal to all parties concerned to set aside all inopportunate and irrelevant considerations of prestige and personality and approach the matter in the only spirit in which it can be solved and I hope that my appeal, even now, is not late."

The hope then expressed has been fully realised, the Bardoli tangle has been untangled, for which all credit to all the parties concerned. However, I believe that it could have been settled with greater grace, at Surat than at Poona, and my regret is that the terms of settlement are silent about the methods adopted to collect the revenue, but on the principle of " all is well that ends well ", I will pass on expressing a fervent hope that the end, when it comes, will be well.

Mill Strike.

We all wish that this " Bardoli spirit " of " give and take ", desire to compromise at all costs, and to seek peace at any price,-is not life indeed every human benefit and enjoyment, every virtue and every prudent act founded on compromise-had actuated the contestants of Bombay's premier Industry, then the fight would not have gone so far, the loss would not have been so great, and the attendent misery so deep.

Not having intimate knowledge of the industry, I prefer to say nothing about the need, wisdom and suitability of the changes sought to be introduced by the millowners, nor about the hardships of maladjustment, inevitable during a transition period such as the Industry is going through. I have been observing the struggle—let us hope now happily ended—for a

good many weeks past, but I cannot say that I have been able to spot the reason of the disagreement, nor the reason of the love of our foreign benefactors.—I will not call them " agitators" for bettering the conditions of labour engaged in predominently Indian industries. Their love has baffled me. It is a puzzle to me, as I take it is to all of you, why they do not direct their attentions to conditions of labour in the Woollen Industry at Cawanpore, the Jute at Calcutta and Tea at Assam ! Never was I more pointedly reminded of what Emerson said of such philanthropic loves ; " If malice and vanity wear the coat of philanthropy, shall that pass? If an angry bigot assumes his bountiful cause of abolition and comes to me with his last news from Barados, why should I not say to him : ' Go love thy infant; love thy wood-chopper, be goodnatured and modest; have that grace and never varnish your hard, uncharitable ambition with this incredible tenderness for black folk thousand miles off. Thy love afar is spite, at home. Rough and graceless would be such greetings, but truth is handsomer than affectation of love."

The longest lane has its turning; so has the Bombay Textile Strike. It has ended in an appointment of a Court of Enquiry—a result on which the labour leaders are rapturously enthusiastic, and whilst I have no desire to deny to them the glory of their achievement, I can, when I consider its cost, hardly congratulate them. This reminds me of Voltaire's remarks on crusades about which he says that when history comes to judge them in dry light of reason it will stand staggered at human wisdom which can be moved to spend so many lives to decide who was to be the guardian of the grave of the Greatest Son of Man.

Government & Mill Strike.

Nor, in this connectlon, one can acquit Government,—I speak of it as a unit without its Provincial or Central side—of blame on the laissez faire attitude it adopted towards devising means of solution of Industrial troubles, and when we remember that the Stanley Reed Committee's Report years

back suggested a Trade Disputes Bill and the Government of Bombay, in fact, prepared one, and that the Imperial Government turned it down on the plea that it had under consideration an Imperial measure, and that in spite of reminders after reminders the Government did not move, one fails to understand its laissez faire attitude. I am glad to say, however, the period of gestation of the Government of India has ended and in the last Simla session they circulated the Trade Disputes Bill, but did not consider it, thus failing to recognise the need of such a measure in prefence to the Bolshie Bill. When one remembers all this it is hardly possible to speak in terms of restraint of the neglect amounting to criminal apathy of the Government of India. To my mind, the strike that is capable of settlement by appointment of a Committee of Enquiry is a strike preventible by Trade Disputes Bill. To both Labour and Capital, I wish to say that in industrial disputes there is, as should be, no room for suspicion and prestige, and what is not settled right and is not fair, equitable and just to the trade as a whole, is not settled at all, but is only an adjustment due to urge of necessity and force of circumstances.

I am told that the crime ffgures in the mill locality during the strike—a period of stress and distress—are less than the average, and this speaks more eloquently than I can say, how well-behaved the workers were, and this inspite of the hot advice of some of their leaders!

Coastal Reservation Bill.

I am sure you all are with me when I turn to congratulate our colleague Mr. S. N. Haji on his introducing in the Assembly his Bill for reserving the coastal trade of India to Indian vessels at the end of five years, and which Bill thus seeks to revive and re-create shipping, Indian, geographically and financially. As the principle of the Bill has been accepted by the Assembly and is under Committee stage, it would hardly in general circumstances, be considered necessary to refer to it any further, but as the Bill has been praised by the representative of the Associated Chambers of Commerce as " confiscation of the

deepest dye, worse than any Socialist Government in any part of the world world think of ", we are thus invited to say what we think of such an attempt to puncture our aspirations to come by our own.

As most of you are aware this Bill arises out of the report of the Indian Mercantile Marine Committee, presided over by my friend Capt. (now Sir) E. J. Headlamm, Director of the Indian Marine who, whatever he may be, can never be charged with being pro-Indian. The Committe among other things made the following important observations :—

" It is our considered opinion that the provision of facilities for the training of Indian officers and engineers alone is no-sufficient to meet the requirements of the case, and that further steps are required to achieve the object in view. These further steps we recommend should be in the form of the eventual reservation of the Indian trade for ships the ownership and controlling interests in which are predominantly Indian".

The basis of the Bill is thus the report of the Indian Mercantile Marine Committee and if any sanction is wanted for India to do what others are doing in their countries, it is found in the practice followed by a great many countries, notably United States of America, Australia and Japan.

As I am speaking, later on, on the solicitude of British Commerce in India for the good of the children of the soil, I will refrain from saying here more except that India is no longer unable to distinguish between their love of our " good " and "goods".

OIL ENQUIRY.

One of the subjects which engaged the attention of your Committee, and of which I wish to speak under restraint, is the report of the Indian Tariff Board regarding the grant of protection to the Oil Industry. As you know, our Chamber from the first was opposed to the question being sent to the Board as, in our opinion, the industry did not stand in need of any protection The reports, both majority and minority, confirm our contention.

However, I am not sorry that the enquiry was held as the report,

(a) comments upon the failure of the applicant companies who were members of the Kerosine Pool to disclose in their representation to the Government main facts,

(b) charges them as "guilty of want of candour amounting almost to deliberate malafides";

(c) holds that "there is evidence that during the six months between January and July 1927, an additional burden of more than Re. 1¼ crores was thrown on the consumer by the indigneous industry and the foreign importers by the selling price being in excess of American parity (p. 83 of the Report);

(d) holds that there is evidence which suggests that all petroleum products are being sold in India at exorbitant price, owing to oil business being in the hands of Oil Trusts, and that the consumer has to pay a sum which may amount to Rs. 5 crores per annum in excess of economic prices;

(e) holds that it is in national interest that the subject should be further explored with the object of bringing about a reduction in the exorbitant prices of petroleum products. The importation of crude oil and the erection of refineries by Rupee companies, particularly in Bombay or the control by Government of prices is suggested as a possible line of action which might result in the lowering of prices.

This being so,—and I am quoting from the Report—that impression left on my mind, as I hope on yours, is that the applicants used the Enquiry, the Government of India, and the Board of Enquiry, as pawns to negotiate and entente cordial over their heads, and having arrived at an understanding applied to be allowed to withdraw from the Enquiry.

Our Chamber in view of these disclosures asked the Government of India to recover the costs from the applicants, but they have turned down our request. May I ask the Government of India whether, in the economic interest of poor masses of which they claim to be "trustees," there is no need to take action to prevent 'Trust' prices being charged. I hope this will have their attention. I trust in view of these revelations, our Western "friends" who preach to India and the East their sermon on Eastern commerical morality will try to learn the value of the wisdom contained in the proverb "Physician heal thyself".

Stores Purchase Policy of the Government of India.

As you are aware, your Committee have been putting up a strenuous fight for improvement in the Stores Purchase policy of the Government of India and of the Stores Purchase Rules, which, in their opinion favour manufacturers in Great Britain at the cost and risk of India. We recently addressed the Government of India once more on this snbject and quoted chapter and verse to show that the manufacturers in countries outside Great Britain had frequently quoted anywhere **from 15 to 50 per cent. cheaper** than the British manufacturers for contracts placed by the authorities in Australia and in South Africa. Your Committee naturally pointed this out to Government and queried that we could not understand how inspite of British prices generally being comparatively dearer, as much as 76·74 per cent of India's orders were placed in Great Britain, as indicated in the High Commissioner's rport and we urged that Government should see that the interests of India by as closely watched as the authorities in Australia and in South Africa were watching theirs. You will agree that this was a reasonable request particularly to a Government who year in and year out' assures us that they are "Trustees" of the people of this country.

This polite query as it touched Britain's Achilles heel—its commerce—the **Times of India**, which holds the watching brief of British commerce, was in wrath and up in arms, and failing to

dislodge facts, indulged, like a counsel who has a weak case, in abuse and resorted to misrepresentation and vilification of our Chamber and its representative in the Assembly forgetting that

> "Thrice is he armed that has his cause just
> And he but naked, though locked up in steel
> whose conscience with injustice is corrupted."

It charges us with preferring to see orders go to foreign countries rather than to Great Britain. I challenge it to show this from any part of our said letter, which it has carefully refrained from publishing for reasons best known to itself. What we ask for is that when other countries quote cheaper, our orders should be placed with them exactly as Australian or South African Governments in similar cases do.

If orders continued to be placed in England, inspite of higher prices quoted by its manufacturers, I like to know what this policy is, if not exploitation, pure and simple ?

The Times of India seems to be unable to deny that orders of Indian Government go to England, inspite of higher prices, and so it claims in a subsequent article that "accept the lowest tender regardless of all other conditions" is the slogan that is becoming increasingly popular in this country. I once more challenge it to show from any of our representations to Government that the Chamber ever supported such a doctrine.

What is much more amusing, is the attempt the "Times of India" makes to convince us that it was a mistaken policy that led to Australia and South Africa placing orders outside Great Britain. It wants us to believe that the wideawake statesmen of these two great Dominions do not understand that cheapness is not everything, and quotes instances where purchases made outside England had turned out defective in quality, etc. The fact remains that in spite of these instances orders from Australia and South Africa continue to go to other countries.

However, I will give the "Times of India" and through it the interests for which it speaks, some instances—at "Home".

The Manchester City Council considered a tender in April last for a 2,500 K. W. Converter plant and their Electricity Committee recommended the acceptance of a Belgian tender at £5,650 as the British tender was nearly £8,000, or some 42 per cent. higher. Even the British Post Office recently placed a considerable order for bronze wire with French suppliers as the British prices quoted for it compared unfavourably with the foreign quotations.

In view of these facts, it is difficult to complacently accept the suggestion that the great bulk of India's orders go to British maufacturers because foreign supplies are not reliable and of satisfactory quality, and we have a right to insist that our Stores Purchases should be carried on with the sole eye to the interests of India. And it is this that the "Times of India" and its "clients" understood that the commercial India they have to deal with is India, not of the Moghuls and of the I.C.S, but India of Mahatma Gandhi and the Congress, the commercial India of a Sir Purshotamdas, a B. F. Madon, a Birla, a Subedar and a Prof. Shah; and same here as in the unchanging East, for China is no longer China of the Manchus but of Sun Yat Sen; Turkey not of Mahomed VI but of Kemal Pasha; Egypt not of the Khedives but of Zaghlul Pasha, and in Afghanistan there rules King Amanullah and in Persia Rezah Shah Pehlavi, where what amounts to **business preferences and monopolies** have no longer any place and civilised disguises and humanitarian hypocrasies had too long an innings.

Communal Tension.

Of late,—and more quite recently—we have had a rich crop of communal trouble which have so seriously disturbed the harmony of daily life that if we are to live—and not merely exist—then this state of things cannot, must not, and should not be allowed to continue. This emphasises the query on which I now enter viz: "What is wrong"?

Admitting—and this cannot be denied—that the disease is there, the next question is: "is there anything in the "Milieu"

or environment which gives it greater vitality at present than before, and why now and not before it has attained the strength and extent of a scourge? In my opinion, the trouble we are passing through, though apparently communal, if analysed, will be found to be greatly economic, and more than that politic a'l and is the result of discontent with the situation.

The Montford Reforms introduced a new chapter in the Governance of India, and it was then fondly believed, was a step in the direction of responsible Government, but the working of the said reforms has brought about disillusionment. The said Reforms gave India tongue, but not the voice, in the governance of the country, and the disappointment following fond hopes has therefore been all the greater. The Reforms gave the "Vote" apparently more importance than it has been found it has in reality and this valueless vote has succeeded in dividing Indians more than before.

This has been the more possible because India being the "home of stark want", the struggle to get a "place" is more acute, and hence we have more placemen than statesmen. In no country human beings are known to sleep and live in animal sheds and use animal dung as fuel. Such deep poverty is unknown elsewhere.

To resume, Indians, not having, real voice either in politics or economics of the country, the only arena in which they are free is "religion", and here, the "free slaves" work like automatons pulled by strong, but invisible, strings, political and economical.

Thus, what should be the uniting and cementing force, viz: "religion",

"Blasts the human
flower even in its tender bud, its influence darts
Like subtle poison through bloodless veins"

of our body "national". If this diagonosis is correct, then it follows that the communal vote must go. I trust that sooner

and not later, and at an early date, by general consent, the the necessity for special representation will no longer exist, that the all-India patriotism will prove more powerful, and defeat the communal antagonism, and it will be realised that nationalism, if it is to stand, must be raised on foundations that are truly national.

Having said what I think of the problem, I will now turn to the Report of the Nehru Committee. You will agree with me that the country is under a debt of deep gratitude to the Committee for their patriotic and onerous work in having got in touch with the realities of the communal situation and offered a solution of this question so as to make it consistent with the growth of nationalism, as also the protection of the interest of minorities and, what is more, providing a basis for the co-operation of all parties, which I hope will be taken full advantage of.

I feel that if the Nehru Committee had not come on the scene at the opportune moment, the perpetual clash and conflict between important political and communal interests in the country would have been further utilised for the purpose of neutralising once more any possible benefit which may arise from the next instalment of the Reforms.

So viewed, the work of the Nehru Committee—and it must be judged as a whole and in the "milieu" in which it had to be done—is not only most opportune, but most patriotic. It is not possible to expect concurrence with it on all the details laid down therein—and the Committee do not claim that—but I think Mahatma Gandhi well expressed the sentiment of the progressive sections of the community when he said that it would be a calamity if the country did not acclaim the Report.

Memorandum of the Associated Chambers to the Simon Commission.

As a rule, the British commercial man in India, foregetting his past, and particularly his history in and of India, usually

maintained that he was here for business, that business was business and that at he had no nterest in.....(s) politics.

With the introduction of Reforms, however, realising that his game of apparent detachment would not do, as Indians had appreciated sufficiently that business and politics cannot be divorced—in fact they are organically related to one another like fingers to a hand or the heart to the lungs,—the British commercial men in India and Ceylon formed themselves into a company in 1920 with a view to take part in politics "to protect and safeguard their commercial interests and to oppose legislative and other measures affecting their interest." This company, known as the Associated Chambers of Commerce of India and Ceylon is composed of 17 member Chambers, predominantly British, have given in their Memorandum to the Indian Statutory (Simon) Commission their views on Indian politics. I welcome this statement as a barometer indicating which way their political wind is blowing, and am not disappointed to find that it bears all the marks of an all British product, and is a plea for perpetuating disguised privileges and monopolies of British commerce in India, and of their kinsmen of the Bureacracy, who continue to bear the "Whiteman's burden" and to obey loyally and jealously the principle of rule implied in Lord Curzon's dictum : " Ours to administer, yours to exploit".

The Memorandum accepts the declaration of August 20, 1917, as a "pledge binding on the British Government, the Government of India and the British poople as a whole", and assures that they themselves "are sympathetic to Indian aspirations and are prepared to take the initiative in recommending a policy which will, they hope, go far to meet the Indian aspirations", and they believe that "irresponsibility can largely be overcome by giving responsibility", and they are prepared to "Indians being offered an opportunity of exercising genuine control (Page 2)", but as cautious businessmen, discountting hundred per cent what they said before, coneclud by saying that they believe "there is a lack of

evidence to show that Indians are apable of governing themselves", and cannot recommend that the British Government should relax its "trusteeship and guardianship", and "hand over the destinies of minorities, the depressed classes and those who are economically most helpless to the control of an indigenous oligarchy", unless **"under guarantees and safeguards"**, "and not till this" indigenous oligarchy gives proof of being as willing to constitute itself a "trustee" for the whole body of the Indian peoples regardless of race, creed and caste as the British Government have been (Page 17)."

This, in the opinion of the Chambers, is only possible by making the Government of India more bureaucracy than what they are now, and by strengthening "the position of the Government of India **vis-a-vis** the Assembly (page 2)", in other words, not making it responsible to any constituents but to its own conscience (Vide Report of the Indian Constitutional Reforms pages 187-94), thus creating an intersting but unnatural situation as a "trustee'i whose interests are adverse to those of his ward, and which he can only relinquish by committing economic suicide, intellectual **hari kari** and moral self immolation, of which history records no instance. The Memorandum further assumes that the Central Assembly has all along during its life of last 8 years been an "irresponsible opposition (page 9)". In the opinion of the Associated Chambers the alternatives are "either to go forward and make the Government of India respinsible to the Assembly, or to strengthen the Government's position to enable it to carry all such measures as it considers to be highly desirable (page 9)". Forgetting that the Chambers hav said in the earlier part of their Memorandum that "irresponsibility can largely be overcome by giving responsibility" (Page 2), they express the opinion that "at pesent it would be in the highest degree unwise to confer any greater powers upon that body", and instead of going forward, they go backward, and recommend that "the strength of the Government party should be made approximately equal to what may be anticipated will be the strength of the anti-Government party (page 10)". As if they had not gone back enough they are "of opinion that the present

system of direct election should be abandoned, because Indian elected members are not in any sense repre representatove of the people but are pleni'potentiaries", and to make them representative, make the serious suggestion that "the majority of the elected members of the Assembly shoWld be elected by collegue composed of both the Houses of the Provincial Legislatures (page 11-12)".

Give thus a throughly irresponsible Central Government, the Chambers are prepared to favour the grant of responsible Government in Provinces, provided also that "the Secretaries of the departments who will constitute the permanent staff are senior members of their respective services, and are adequately paid", and wish to emphasise this " because with evolution higher-paid posts of Executive Councillorship will seriously diminish the prospects of Members of the Civil Service (Page3)", and "lest they may be failing in their duty in safeguarding the prospectus of Europeans at present in the Services", and to further guard against "a quick withdrawal of the British element" insist on "retaining the Governor as the final authority in regard to all these appointments and postings in the Covenanted services (Pages 6 and 7)." Given this, the Associated Chambers "are not opposed to Indianisation provided that it does not involve a decline in efficiency", of which, they think, they have the monopoly—"and provided also that no injustice to Europeans and Anglo-Indians is done (Page 7)". And lest in their solicitude for us they may have forgotten to consider any safeguards in making "recommendations of so liberal(?) a character to meet all the legitimate Indian aspirations", the Associated Chambers do not "conceal from themselves the possibility that the constitution may be faced by a deliberate opposition or obstruction", they consider that "provision must be made to meet this danger", and strongly recommend that "the Governor General in Council should be given powers in case of necessity to intervene, and in fact to suspend the constitution this intervention and suspension the Governor in Council is to be the sole judge. And of the need of (page 7)". Lest there should be any oversight, as cautious

businessmen to make it good, some member chambers suggest that to crown these liberal(?) proposals, the portfolio of Law and Order should be transferred to the Central Government. This, you will easily see, will have the effect of reducing to more than nullity any concessions they may have made.

In consideration of concession of Procinvial autonomy, in addition to (a) that the Government of India be made irresponsible to the Legislature; (b) that it empowered to intervene in the affairs of the Provinces; and (c) lest the Central Legislature was not crippled enough by the abandonment of direct election and other "safeguards", the Associated Chambers ask, not for rational, but for "national treatment" (Page 15) "for their industries and commerce established in India, whether REGISTERED THERE OR NOT," and lest this be considered a "novel constitutional provision" they refer us to "capitulations' as the "authority for their demand".

I am not surprised at this, coming as it does from the British Commerce—you know commerce, like Love, is blind—but I am sorry that this comes from those who "speak the tongue that Shakespeare spake, and hold the faith and morals which Milton and Burke held." If there is a Noble Prize for an essay on irresponsible responsibility for parliamentarism, that is solemnly comic, the Memorandum of the Associated Chambers will carry it easy.

Nor am I sorry that the British commerce has told us what they want for their "safety first" and "safety last". To use the language familiar to salesmen, viz: "that a satisfied customer is the best asset", may I ask whether the Associated Chambers think that what they suggest will meet Indian aspirations. If they think so, I will tell them that they are under a delusion not dissimilar to Rip Van Winkle to whom "all twenty years were hardly but one night".

The Indian is no longer contented to be an exile at home and chattel abroad but desires to be everything another nation may claim for itself—to be free in India as the Englishman is

free in England. If India and England are to stand hand in hand then justice must replace inequality, privileges must give place to equal rights, and "guarantees safeguards and capitulations" to equal and same opportunities to all. I also wish to tell British commerce, that if it desires to continue in the country as "sons" of the soil (or if it prefers the definition of the All-Parties Conference, as "citizens"), there is room and enough for them, their enterprise and capital, but there is not and can never be, room for them if they want to continue in the graphic Gujarati expression as "sons-in-law of the country". I also wish to say: India will accept no limitation to her aspirations either from the British Chambers or anyone else. Indian will come by her own and nothing can defeat the people but themselves, and even if India does not succeed—and success can only come from union and common action—in her failure she will have the consolation to know, in the words of Carducci: "he does not die who fights; he is not a slave who does not will it".

Not intentionally, but purposely, I have omitted to refer to the Memorandum of the European Association for the reason that the less is contained in the greater, and that the opinion of Associated Chambers of Commerce of which the European Association is the part, represents the opinion of the united commerce of India and Ceylon and as Mathematics is an exact science, the six of the one is still half-a-dozen of the other.

With these words gentlemen, I place before you the Report of the work done by your Committee during the Third Quarter of the current official year of the Chamber.

Speech of Mr. Husseinbhoy A. Lalji, M.L.C., Vice-President, Indian Merchants' Chamber, Bombay, at the Third Quarterly General Meeting of the Chamber held on Saturday, the 27th October, 1928 :

MR. PRESIDENT AND GENTLEMEN,

It is not usual for the Vice-President to address remarks at a Quarterly Meeting. I should, however, like to take up a few

minutes in dealing with two or three questions of topical interest. There is firstly, the question of the Match Industry. I know that at the previous Quarterly Meeting, the President of the Chamber has discussed this question in his speech. I should like, however, to say a few words in connection with the same as I fear in a few months time this topic will become an old one, and nobody will be paying the slightest attention to it. Though the Match Industry is one of the growing industries of the country, and maintaining a labour force of 9,000 within factories and about 16,000 outside the factories, and engaging a capital of Rs. 1,82,56,224, the Tariff Board unfortunately rest content with merely recommending the conversion of the revenue duty into a protective one. We have to be thankful even for this small mercy as it will at least give the security of a Protective duty to the indigenous industry. As several witnesses, however, connected with the Match Industry stated before the Tariff Board, and as our Chamber urged, the duty by itself will not be sufficient to safeguard the interests of the industry. The Tariff Board have admitted that the quality and the manufacturing costs of Indian matches are satisfactory and it is only the prejudice existing in favour of foreign goods which acted as a handicap. Much was spoken and written with regard to the Swedish Syndicate and it was expected that the Tariff Board would have something to say regarding it, for no Report giving Protection to the Match Industry would be considered complete unless there were suggestions made regarding the method and manner in which activities of this Trust were to be regulated, if not terminated. This Trust is out for monopoly and has already captured the complete monopoly of 25 countries (vide page 88, Para. 148, Tariff Board's Report). It is underselling the indigenous factories here, though it took care not to adopt these price-cutting tactics when the Tariff Board was making enquiries in the question. Now that the Report has been out, and their position has remained unaffected, they have again taken to their old methods of price-cutting as will be seen from the following figures of prices:—

Before the Enquiry.	After the Enquiry.
Ambarnath: Rs. 1-5 to 1-5-6.	Rs. 1-4 to Rs. 1-5 in some of the principal cities, while at Rs. 1-2-3 to 1-2-6 in up-country Berar, etc., wherever Indian factory goods are sold.
Indian factories:	
A. Class: Re. 1-4-0.	Rs. 1-2-0.
B. Class: Rs. 1-2-6	Rs. 0-15-0 to Re. 1-0.

Out of this, according to the Western India Match Company, commission, etc., comes to nearly Rs. 0-3-0; therefore they sell at a price which is below their cost to ruin Indian factories. The Tariff Board has put down fair selling price as at Rs. 1-4-0 which clearly shows how they have been moving and consequently the Indian factories are suffering. They have sold foreign stuff at uneconomical rates and have turned out from their factories here inferior goods; what was their object they alone know, but it has had an effect of giving bad name to Indian manufactured product. They have adopted doubtful methods of negotiation and advertisement. The Trust was in favour of Protection, saying that the Industry could not flourish in this country, and yet they have erected their own factories here, from which it may be referred that their object is to get a monopoly of the Match Industry for themselves by competing with Indian from within India and then import matches from outside.

The Tariff Board has suggested that the Trust should be Indianised, and also that Government should watch their activities. As I have just now remarked, the Trust have begun selling at low competitive rates and giving special rebate and Commission. The rate at which they sell it now is less than their cost price, which means that they are selling at uneconomical rates. I should like to strongly urge that the process of Indianisation must begin at once, and that otherwise the Trust should not be allowed to carry on its activities in the direction of injuring the Match Industry of the country. I would specially draw

the attention to the activities of the Swedish Trust Syndicate, who use all methods to compete us and who have very recently since 1924 created vested interests for their objective in India and who in future will make all sorts of claims like the other vested interests. Another important fact is that various Railways, specially the G. I. P. Railway, give concession in rate to this Foreign Syndicate for carriage of their matches both safety and sulphur qualities, whether manufactured in India at Amarnath, etc., or outside, from Karachi, Bombay, Madras and Calcutta. Concessions are also given by these railways to them for the carriage of wood for the manufacture of matches and I, therefore, ask in fairness to the indigenous industry that such concessions and any future concessions given to them be made public from time to time and further similar concessions be given to one and all Indian manufacturers. I trust this is only fair if Government will not agree to give special concession to Indian Industry.

BACK BAY RECLAMATION SCHEME.

The other subject to which I should like to refer is the old old question of the Bombay Back Bay Development. I would not have been obliged so speak on this question had our representative on the Advisory Committee of the Department Mr Manu Subedar, been present here, but as he is at present out of India, I should like to make a few remarks in connection with the Back Bay affair. Being a member on the Advisory Committee from the Bombay Municipality, I know some facts in connection with this important question, which I shall place before you. You all know that though our Chamber and the Committee were against the reclamation of plot No. 2, Government took up the work. What is now practically definitely certain is that the cost of this reclamation of plot No. 2 will be more than the estimate. What I feel most acutely is that despite the adverse criticisms in the public and so much exposure at the time of the Mear's Committee and otherwise of the methods followed by the Development Department, its working has not much improved, and it is the least responsible of all de

partments to public opinion. One never knows what is exactly wrong with regard to this department. Thus plot No. 8 was expected to be ready for being handed over to the Military at first by December, 1927. The date was then postponed to May 1928, and now it is said that it will not be ready before May 1929 that the plot will be so delivered. I am afraid it may even go to December, if at all.

The percentage of shrinkage is going up, thus increasing the cost of the scheme considerably. The authoritities said originally that they required a foot and a half dry moorum, but now they require 2- to 3 feet, and it will probably be 4 feet before long. The shrinkage will be 30 to 40 per cent. or even 50%, and the quantity of moorum required will be four times more than that for which the contract was entered into.

As for plot No. 1, there is little less shrinkage but the exact figure is not available, Officers themselves being as ignorant as anybody else. Under the circumstances, in my opinion, the estimated cost of the whole scheme must be revised. The Advisory Committee is consulted only when it suits Government to do so, and Government carry only such of their proposals as meet with their own approval. The work being carried at present in plot No. 2 is against the decision of that Committee. The policy of the Development Department remains the same, viz: one of secrecy and unresponsiveness though the Hon'ble Members in Charge may be changed. It is a surprise that successive Members in Charge of this particualr Department have failed to weed out the defects from this Department and to make it responsible and responsive to public opinion.

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